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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Japan

Trade Officials Begin SII Meeting in U.S.

OW0705151191 Tokyo KYODO in English 1503 GMT 7 May 91

[Text] Washington, May 7 KYODO—Japanese and U.S. trade officials Tuesday opened an informal high-level meeting on removing structural barriers to trade and investment in both countries.

The day-long meeting at the State Department covers Japan's public works spending, Keiretsu or interlocking business groupings, and the nation's antimonopoly law.

Federal budget deficits, the low rate of savings, and education in the United States are also on the agenda.

The meeting is a follow-up to the Structural Impediments Initiative (SII) aimed at reducing the chronic trade imbalance between the world's two largest economies.

Informed sources said Japanese and U.S. trade officials will meet in Tokyo on May 20-21 to write a progress report on implementing the 1990 SII agreement.

"We are in the process of implementing measures and there will be no new issues to discuss in the Tuesday meeting," a senior Japanese official said.

Fail To Iron Out Differences

OW0805023391 Tokyo KYODO in English 0045 GMT 8 May 91

[By Shiro Yoneyama]

[Text] Washington, May 7 KYODO—Japan and the United States failed in a meeting in Washington on Tuesday to iron out their differences over what the U.S. complains are exclusionary business practices that are hindering an expansion of trade and investment in Japan, senior U.S. trade officials said.

They said after a follow-up meeting on the Structural Impediments Initiative (SII) that the two countries will meet again in Tokyo on May 20 and 21 to hammer out an agreement.

"We focused much of our concerns on exclusionary business practices and 'keiretsu'," deputy U.S. trade representative Linn Williams said, adding that Japanese officials focused many of their concerns on savings and investment and budget deficits in the U.S.

"We didn't resolve anything, we didn't change anything," he told reporters after the meeting, in which the two countries exchanged draft progress reports on the 1990 SII agreement.

Naomichi Suzuki, Japanese vice minister of trade and industry for international affairs, said the two sides have "a lot of problems to solve" at the Tokyo meeting.

Michael Farren, undersecretary of commerce for international trade, said the two countries have "a long way to go" to settle the disputes over exclusionary business practices and "keiretsu" or interlocking corporate groupings in Japan.

The U.S. has sought tougher action to combat what it says are monopolistic activities among Japanese companies.

Launched in 1989, the SII dialogue calls for the world's two largest industrial economies to dismantle structural barriers to trade and investment in a bid to whittle down trade imbalances.

Assistant Treasury Secretary Charles Dallara told reporters that the two countries made progress in the areas of savings and investment imbalances and distribution systems.

Makoto Utsumi, Japanese vice finance minister for international affairs, said the U.S. asked Japan to strengthen the powers of small shareholders in Japanese companies.

Williams said, "I am confident we can produce a complete report" in Tokyo.

Nakayama Meets U.S. Undersecretary Kimmitt

OW0805055991 Tokyo KYODO in English 0535 GMT 8 May 91

[Text] Tokyo, May 8 KYODO—China is cognizant of the importance the United States and Japan attach to maintaining their security arrangements, a senior U.S. State Department official told Foreign Minister Taro Nakayama on Wednesday, Foreign Ministry officials said.

Officials said the remarks were made by Robert Kimmitt, U.S. Undersecretary of State for Political Affairs, who met Nakayama prior to the start of a session of ad hoc U.S.-Japan political consultations.

The State Department's No. 3 official arrived in Japan after a three-day visit to China, where he discussed human rights problems in China, the Cambodian conflict, arms control and nonproliferation, and bilateral economic relations.

Kimmitt told Chinese Foreign Minister Qian Qichen and other Chinese Foreign Ministry officials that the U.S.-Japan security arrangements play an important role in facilitating peace and stability in the Asia-Pacific region as a whole, according to the Japanese officials.

The Chinese indicated in response that they understood the situation, the officials quoted Kimmitt, the highest-ranking U.S. official to visit China in nearly 18 months, as saying.

Nakayama and Kimmitt agreed they want to consolidate the so- called Japan-U.S. "global partnership" in the wake of the Persian Gulf war, the officials said.

The foreign minister told Kimmitt that he was going to the Middle East soon to assess developments in the region. The U.S. official asked for Japan's cooperation in promoting U.S. Secretary of State James Baker's efforts to set up peace talks on the Arab-Israeli conflict, the officials said.

Nakayama is expected to visit Iran, Egypt, and Israel in late May.

The foreign minister was quoted as stressing the need for Japan and the U.S. to cooperate more closely on issues affecting the Asia- Pacific region.

Nakayama and Kimmitt concurred in their opposition to proposals from the Soviet Union for talks on naval disarmament in the region and for the setting up of an Asian version of the Conference on Security and Cooperation in Europe (CSCE), the officials said.

Nakayama expressed concern over the possibility that North Korea may be attempting to develop a nuclear weapons capability, they said.

He told Kimmitt that Japan is taking every opportunity to press Pyongyang to allow the International Atomic Emergency Agency to inspect North Korean nuclear facilities, the officials said.

Kimmitt was quoted as saying that international attention on the issue and pressure on Pyongyang are important and will become even more so as the London summit in July of the seven major industrialized nations approaches.

U.S. Vice President, DSP Official Meet

OW0805000891 Tokyo KYODO in English 2315 GMT 7 May 91

[By Shiro Yoneyama]

[Text] Washington, May 7 KYODO—The United States Congress will grant China Most Favored Nation (MFN) trading status for another year with some conditions attached, Vice President Dan Quayle predicted Tuesday.

Quayle made the prediction in a meeting with Keigo Ouchi, chairman of Japan's middle-of-the-road opposition party, the Democratic Socialist Party (DSP), DSP officials said.

Ouchi quoted the vice president as saying that President George Bush favors an automatic extension of the MFN status for China despite allegedly continuing violations of human rights in that country and the sale of Chinese missiles and missile technology to Syria, Iran, and Pakistan.

Bush, a former envoy to China, has to notify Congress by June 3 whether it should renew China's MFN status.

Quayle's press office was not able to provide immediate confirmation of the vice president's reported remarks.

Bush has maintained that the U.S. should give China the MFN status for strategic reasons, including China's status as a permanent member of the United Nations Security Council.

Congress member Nancy Pelosi, a California Democrat, and 60 other House of Representatives members, have introduced legislation to revoke China's MFN status if it does not radically improve its human rights record.

Chinese Ambassador to Washington Zhu Qizhen warned in a speech Tuesday that China will not give in to U.S. demands concerning improvements in its human rights record.

U.S. Undersecretary of State Robert Kimmit failed to make significant headway on human rights, trade, missile proliferation, and other issues during a trip to Beijing earlier this week.

DSP Chairman Ouchi, who arrived in Washington on Tuesday for a weeklong visit, told reporters that Quayle also warned China of possible repercussions if the Chinese Government exercised its UN veto power to block the entry of South Korea into the world body this fall.

"China itself will face a risk" if it vetoes Seoul's bid for UN membership, Ouchi quoted Quayle as telling him.

Ouchi also said that Quayle, who will visit Japan May 19-21, asked Japan to play a constructive role as a member of a "global partnership" with the U.S.

Specifically, the vice president called on Japan to take additional steps to aid Kurdish refugees in Iraq, Ouchi said at the news conference.

Ouchi said Quayle expressed support for the Japanese reluctance to offer financial aid to the Soviet Union, urging caution in providing credits.

He said Quayle also hailed Prime Minister Toshiki Kaifu's rejection of Soviet proposals for North Asia security talks among the Soviet Union, the U.S. and Japan, and for a five-way Asian security dialogue involving the three countries plus China and India.

Soviet President Mikhail Gorbachev made the proposals during his trip to Tokyo last month.

"The U.S. does not consider the proposals to be worth exploring," Ouchi quoted Quayle as telling him.

Kaifu Urged To Promote Political Reform

OW0805110491 Tokyo KYODO in English 0642 GMT 8 May 91

[Text] Tokyo, April 8 KYODO—An independent study group on political and economic problems called on Prime Minister Toshiki Kaifu on Wednesday to once again promote the political reform which has been stagnating for the past several years.

Three representatives of the Social and Economic Congress of Japan—economic commentator Hidezo Inaba, Prof. Kenzo Uchida of Tokai University and Masao Kamei, chairman of Sumitomo Electric Industries Co.—made the call when they met Kaifu at the prime minister's official residence.

Kaifu was quoted as saying that the government will make every effort to promote political reform as an important task of his cabinet.

The group, comprising prominent economic, labor, and academic leaders, presented a five-point advisory to Kaifu in reference to a political reform centering on the rearrangenent of the constituencies of the House of Representatives and the control of political funds.

The advice of the group calls for the holding of an early "summit meeting" between heads of the ruling Liberal

Democratic Party and opposition parties, and the presentation of counterproposals by opposition parties.

Following a meeting with the prime minister, Inaba told reporters that the government should open an extraordinary Diet session by early July to deliberate the political reform issue.

Inaba complained ruling and opposition party parliamentarians for being hesitant to carry out political reform, adding that Japanese voters hold only a shallow awareness that they are sovereigns of their own country.

He said Japan will continue to be a first-rate economic and fourth-grade political power in the 21st century unless political reform is implemented.

SDPJ Central Committee Meets To Discuss Reform

OW0705170491 Tokyo NHK General Television Network in Japanese 1000 GMT 7 May 91

[Text] The Central Executive Committee of the Social Democratic Party of Japan [SDPJ], which suffered a defeat in the recent local elections, held an extraordinary session at party headquarters this morning to discuss how various issues should be handled for the time being. The majority of the committee members agreed that a special party convention should be held as soon as possible to discuss such issues as party reform and a leadership reshuffle.

The participants in the session first confirmed a report summarizing the local elections as well as the basic plans for party reform worked out by the party's executive department on 26 April. Its members then exchanged opinions on holding a special party convention to decide on party leadership as well as to promote party reform.

At the session, SDPJ Chairman Takako Doi said that there should be no leadership reshuffle at this time to avoid confusion. She said that such a situation would not be good for the party and that she prefers that the present leadership continue for the time being until the party's affliction has been diagnosed and appropriate treatment decided. She said that there should be a discussion of leadership responsibility as well as the reshuffle after specific plans for party reform has been put forward.

At the same time, she suggested that a party reform committee, consisting of representatives of all party members and labor unions, be formed to draw up a reform plan, that will be submitted to a special party convention for discussion.

While some Central Executive Committee members stated that the reform plan should be discussed first and then the leadership should be reshuffled, others insisted that responsibility for the election defeat should be decided first. No decision was made on the issue today.

Meanwhile, the majority of members agreed to hold a special party convention as soon as possible to discuss such issues as party reform and a leadership reshuffle. Because no consensus was reached on the actual timing of clarifying the present leadership's responsibility nor on the proposal for setting up a party reform committee as suggested by Chairman Doi, however, it has been decided that further discussions will be held on these issues at the Central Executive Committee's regular session scheduled for the day after tomorrow.

Factional Leader on Reshuffle

OW0705181791 Tokyo NHK General Television Network in Japanese 1000 GMT 7 May 91

[Text] The Wednesday Group [suiyo-kai], the largest right-wing faction in the Social Democratic Party of Japan [SDPJ], held a general meeting this evening attended by around 50 Diet members. As regards the promotion of the party's future reform, Toshiharu Okada, leader of the faction, said: What must be done must be done. What is needed is a sensible review of the election and a new party leadership. A reshuffle of the party's leadership is especially needed, as is party reform.

Thus, he indicated in his address to the faction that the party's leadership should be reshuffled.

Shin Kanemaru Remarks on Diet Elections

OW0705181591 Tokyo NHK General Television Network in Japanese 1000 GMT 7 May 91

[Text] Shin Kanemaru, former deputy prime minister and current chairman of the Takeshita faction, the largest faction in the ruling Liberal Democratic Party [LDP], attended the faction's plenary session. In his opening remarks, Kanemaru touched on the possible simultaneous elections for both the lower and upper houses in the summer of 1992, and said: I do not believe that the House of Councillors election, scheduled for the summer of 1992, will be held simultaneously with the House of Representatives election. Because it concerns politics, however, there is a possiblilty that the two elections will be held simultaneously. It will be rather difficult for the two elections to be held at the same time, however. Thus, he indicated his view that there is little possibility for simultaneous elections.

Furthermore, touching on the convening of an extraordinary Diet session to discuss the political reform issue, former Deputy Prime Minister Kanemaru said that it would be unwise to call an extraordinary Diet session to discuss political reform when no intraparty consensus has been reached within the LDP. He added: What will happen if no conclusion is reached after the Diet session? It would not do to discuss a reform plan that cannot be carried out merely for the sake of debate. Thus, he once again indicated his cautious approach toward calling an extraordinary Diet session at an early date.

Diet Approves Revision of Consumption Tax Law

OW0805072691 Tokyo KYODO in English 0619 GMT 8 May 91

[Text] Tokyo, May 8 KYODO—The House of Councillors unanimously approved on Wednesday a nonpartisan bill to revise the controversial consumption tax law, completing parliamentary procedures for the bill.

The revision, proposed jointly by the ruling Liberal Democratic Party and four opposition groups, calls for exemption of a variety of items from the levy, such as housing rent, college entrance fees, and the costs of births and burials.

The bill was passed by the House of Representatives on Tuesday.

Store operators whose consumption tax collection exceeds 5 million yen a year will be required to report and pay the levy four times a year instead of two at present, to prevent them from making profits by operating the collected fund.

The bill also revises the simplified taxation system, redividing business categories subject to tax deductions and rearranging the ceilings of their tax deduction ratios.

The tax deductible businesses will be divided into four categories, wholesalers, retailers, manufacturers, and others; and the ceiling of their tax deductible sales will be set at 90 percent, 80 percent, 70 percent, and 60 percent, respectively.

Under the present system, 90 percent of sales of wholesalers and 80 percent of sales of other businesses are tax deductible.

The simplified taxation system will apply to business operators with annual sales of 400 million yen, down from the present 500 million yen.

The new law will go into effect on October 1.

The four opposition parties which sponsored the bill were the Social Democratic Party (SDP), the largest opposition group, the Komeito, the Democratic Socialist Party, and a small fringe party known as the Shimpo Minshu Rengo.

The LDP has agreed to study a SDP demand for exemption of foodstuffs from the levy in the future.

The law was enforced in April 1989 amid a chorus of protests by opposition parties and consumer groups that cost the LDP its majority in the upper house in an election for the chamber in July of the same year.

Diet Passes Bills Affecting Big Stores

OW0805111991 Tokyo KYODO in English 0645 GMT 8 May 91

[Text] Tokyo, May 8 KYODO—The House of Councillors approved a package of five bills Wednesday aimed at removing obstacles to opening large-scale retail stores in Japan.

The bills became law with the upper house vote.

The legislation came in response a Japan-U.S. agreement concluded in June last year in the Structural Impediments Initiative (SII) talks to ease restrictions on setting up new large-scale stores as a means of boosting imports to Japan.

In the SII talks, U.S. officials argued that the law governing large-scale retail stores restricts the operation of large stores in order to protect smaller shops, which are ill-suited to selling imported goods.

A key feature of the legislation package is the abolition of the Large-Scale Retail Stores Law requirement of intensive consultations with local shopkeepers prior to the setting up of new large-scale retail outlets, a process which could delay approval for years.

The new legislation also features measures to allow import-specialty stores with floor space of up to 1,000 square meters to be approved without legal procedures stipulated under the Large-Scale Retail Stores law.

In addition, it doubles from 1,500 square meters to 3,000 square meters the dividing line between a "type 1" large-scale store, which requires approval of the minister of international trade and industry, and a "type 2" store, which needs approval by the prefectural governor.

Ministry Announces Relief Efforts in Bangladesh

OW0805102291 Tokyo KYODO in English 0953 GMT 8 May 91

[Text] Tokyo, May 8 KYODO—Japan will pay for helicopters rented from third countries by Bangladesh to carry out relief operations in the wake of the cyclone that devastated the Southwest Asian country last week, Foreign Ministry officials said.

But officials said the Japanese Government would be unable to meet Bangladesh's request Tuesday that it urgently send helicopters to help deliver relief supplies to devastated areas of the country.

India and Pakistan have each offered Bangladesh three helicopters to supplement that country's tiny fleet of 12. Bangladesh has also reportedly asked the U.S., China, and France for helicopters.

The Foreign Ministry officials cited logistical restraints to loaning or giving away helicopters. "If we were to send them from Japan it would take a long time," said one official. "It just would not work."

They also cited political restraints, noting that most Japanese Government helicopters are used by the Maritime Self-Defense Force (MSDF) or the Maritime Safety Agency (MSA).

The government recently braved fierce opposition from many quarters in dispatching a fleet of MSDF minesweepers to the Persian Gulf.

"If helicopters are available for hire in some other country, Bangladesh can use our money to procure them," suggested an official.

Officials said Japan is preparing to announce soon another relief package for Bangladesh to supplement its pledge last week of 2 million dollars in relief money and some 68.5 million yen worth of relief supplies.

Bangladesh, through its embassy in Tokyo, also requested Japan on Tuesday to provide flat-bottom boats, communications equipment, electric generators, housing materials, water purifying tablets, dry food, life-saving medicines, and fuel.

The request came on the same day as Bangladesh Prime Minister Begum Khaleda Zia's appeal for massive international aid to save survivors of the cyclone, which struck on April 29, leaving over 125,000 persons dead and affecting another 10 million.

Foreign Ministry officials said Japan would consider dispatching natural disaster relief and medical teams, but has received no request from Bangladesh on that score.

Company Makes Contribution to Nepal Elections

OW0705150591 Tokyo KYODO in English 1322 GMT 7 May 91

[Text] Kathmandu, May 7 (KYODO)—Japanese trading house Toyota Tsusho Co. has donated 2 million yen toward the holding of Nepal's May 12 general elections, the Japanese Embassy here said in a press release Tuesday.

Toyota Tsusho's contribution comes in addition to a Japanese government grant of 227.7 million rupees earlier provided to the mountain kingdom to help carry out its first multiparty elections in 32 years.

Nepal will use the grant to purchase vehicles for use in the elections.

The Government of Japan will in future encourage contributions from Japanese nongovernmental organizations to support Nepal's democratization process, the press release added.

North Korea

Dailies on Symbolic Importance of Li Peng Visit

SK0805062991 Pyongyang KCNA in English 0529 GMT 8 May 91

[Text] Pyongyang May 8 (KCNA) - Dailies here today stressed that the Korean visit of Premier Li Peng of the State Council of the People's Republic of China (May 3-6) powerfully demonstrated at home and abroad the indestructible might of traditional friendship and solidarity between the two peoples of Korea and China who are advancing with confidence and optimism, holding high the banner of socialism even under the complicated international situation.

NODONG SINMUN in an editorial entitled "Powerful Demonstration of Indestructible Korea-China Friendship" says that Premier Li Peng's visit to our country was successful and it marked an important occasion in developing the friendship between the two parties, two countres and two peoples of Korea and China onto a new high stage.

It goes on:

The Korea-China friendship is the indestructible friendship which the two peoples forged at the cost of blood, sharing life and death, sweets and bitters, in the common struggle against imperialism and for peace and the victory of socialist cause. Today, the traditional friendship between the two peoples is being further consolidated with each passing day because it is based on the special intimacy between the two leaders and it has been carried forward down through generations.

The Korean and Chinese premiers pointed to the daily developing and efflorescing traditional Korea-China friendship and underscored the need to strengthen and develop this valuable friendship in conformity with the common desire and aspirations of the two peoples and the requirement of the new international situation. It gives great confidence and courage to the two peoples who are advancing, holding high the banner of socialism.

Our people highly estimate the fraternal Chinese people's great success in their efforts to consolidate the political phase of stability and unity, maintain "one centre and two main points" and build socialism with Chinese characteristics under the correct leadership of the Communist Party of China with respected Comrade Jiang Zemin as its core and wish them shining victory in the struggle for the implementation of the decisions of the fourth session of the seventh national People's Congress.

The Korean people are rejoiced more than anybody else over the success in all work in China, their reliable rear, and the steadily growing might of the PRC.

Our people extend full support to and solidarity with the efforts of the Chinese party, Government and people to reunify the country according to the policy of "one country, two systems".

The Korean people will hold higher the banner of socialism, single-heartedly united around the party and the leader, and advance forever shoulder to shoulder with the fraternal Chinese people in the common struggle for anti-imperialist independence and socialist cause.

Meanwhile, MINJU CHOSON in an editorial stresses that the fraternal friendship between the Korean and Chinese peoples who are struggling shoulder to shoulder on the same road of anti-imperialist joint struggle will be in full bloom generation after generation.

NODONG SINMUN Hails Visit

SK0805095891 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 8 May 91

[NODONG SINMUN 8 May editorial: "Vigorous Demonstration of Indomitability of DPRK-PRC Relations"]

[Text] Li Peng, premier of the PRC State Council, paid an official goodwill visit to our country from 3 to 6 May, upon the invitation of Yon Hyong-muk, premier of the DPRK Administration Council.

Respected Premier Li Peng's visit to our country vigorously demonstrated at home and abroad the indomitable might of traditional friendship and unity between the peoples of the DPRK and China who are advancing by upholding the banner of socialism and overflowing with confidence and optimism, even amid the complex international situation.

Our people warmly [yolyolhi] welcomed Premier Li Peng, who came with the fraternal Chinese people's warm feelings of friendship. This was an illustration showing how deep our people's trust in the Chinese party, Government, and people was and how beautifully the DPRK-China friendship, which has been inherited generation after generation, is blooming and developing.

The great leader Comrade Kim Il-song met with Premier Li Peng and held talks with him in a warm and amicable atmosphere. Talks between Premiers Yon Hyong-muk and Li Peng were held. At the talks, which proceeded in a comradely and friendly atmosphere, the issue of further strengthening and developing the traditional DPRK-China friendship and issues of mutual interests were discussed.

During his stay, Premier Li Peng visited Sohae lockgate, the May Day Stadium, the Mangyongdae Palace of Youth and Students, Hwanggyegang Senior Middle School, and other cultural organizations and facilities. He met with our country's cadre members.

Premier Li Peng highly appraised the proposals for reunification made by our party and government and, in particular, the proposal for reunification through a confederal system based on one country and one state and two systems and two governments. He expressed firm solidarity with our people's struggle to realize such proposals.

Premier Li Peng's visit to our country was indeed successful. His visit was an important occasion for developing the friendship between the two parties, two states, and two peoples of the DPRK and China into a new higher stage.

The great leader Comrade Kim Il-song has taught: The DPRK-China friendship, which was forged with blood amid the flames of arduous revolutionary struggle, which is based on common aspirations and desires of the peoples of the two countries, and which overcame various trials of history, is today constantly displaying great vitality in defending and developing the anti-imperialist cause and socialist cause. This friendship will be ceaselessly consolidated and developed in the future, too, during the vigorous march of the revolutionary cause of the peoples of the two countries.

It is a general practice that leaders of the party and the state of the DPRK and China traditionally visit each other frequently, exchange views on the issues of mutual interests frankly and candidly, and support and cooperate with each other.

In particular, significant meetings held in recent years between the leaders of the two countries greatly contributed to defending the banner of socialism and to safeguarding peace and security in Asia by smashing the imperialists' strategy of peaceful transition.

The DPRK-China friendship is the indomitable friendship which the peoples of the two countries forged with blood while sharing their fates with each other amid the joint struggle to win victory for the cause of peace and socialism against the imperialists.

Today the traditional friendship between the peoples of the DPRK and China is being further consolidated each day because it is based on particular friendly relations between the leaders of the two countries and is being inherited generation after generation.

The DPRK and Chinese premiers pointed out that the traditional DPRK-China friendship is blooming and developing with each passing day. They emphasized that this precious friendship should be further strengthened and developed in accordance with the common desires and aspirations of the peoples of the two countries and with the demand of the new international situation. This gave great confidence and courage to the peoples of the DPRK and China who are advancing by upholding the banner of socialism.

Our people highly appraise the great success won by the fraternal Chinese people in their struggle to consolidate the political situation, where stability and unity are realized, under the correct leadership of the Communist Party of China [CPC] with respected Comrade Jiang Zemin as its core, and to build socialism with Chinese characteristics by maintaining one central task and two basic points. We wish them brilliant victory in their struggle to accomplish the decisions of the fourth session of the Seventh National People's Congress.

The Korean people are more pleased than any other people that all works are carried out excellently in China, their reliable ally, and that the might of the PRC is being constantly strengthened and enhanced.

Our people fully support and show solidarity with the efforts of the Chinese party, Government, and people to reunify the fatherland according to the policy of one state and two systems.

The mutual support and solidarity between the parties, Governments, and peoples of DPRK and China are a clear expression of the firmness and vitality of the DPRK-China friendship.

Premier Li Peng's visit to our country was paid at a time when the two peoples of the DPRK and China are invariably and vigorously advancing along the road of socialism while tenaciously maintaining the socialist principles under the leadership of their parties, rejecting the imperialists' pressure.

Temporary setbacks and vicissitudes may occur in the course of the march of history. However, it is an unbreakable rule that mankind will advance along the road of socialism—the road of independence.

The people, who defend truth and principle without yielding to obstacles laid on the road of advance and who march according to the course of history, will be victorious without fail.

In practical life, the peoples of the DPRK and China came to firmly believe that only the road of socialism can rescue their destinies and that only this road ensures the prosperity of the fatherland and genuine happiness of the popular masses.

The peoples of the DPRK and China will constantly vigorously march along the road of socialism without even slight wavering under any arduous circumstances.

The Korean people will more highly fly the banner of socialism in firm unity with the party and the leader. They will advance shoulder to shoulder permanently with the fraternal Chinese people in the joint struggle for the socialist cause and for the anti-imperialist cause for independence.

Former South Politician Holds News Conference

SK0705054291 Pyongyang KCNA in English 0452 GMT 7 May 91

[Text] Pyongyang May 7 (KCNA)—Kim Hui-won, former chairman of the South Koren Kangwon Provincial District Committee of the "Reunification Democratic Party" and central permanent member of the "Democratic Liberal Party", on a visit to the northern half of Korea called a press conference after meeting with Pak Kwan-yong, a "National Assemblyman" from the "Democratic Liberal Party" of South Korea, while South Korean "National Assemblymen" were staying in Pyongyang to participate in the 85th conference of the Interparliamentary Union recently.

Kim Hui-won proposed meeting with the South Korean "National Assemblymen" several times. But none of those whom he wanted to meet responded to his proposal and only Pak Kwan-yong agreed to meet with him.

When he met with Pak Kwan-yong, Kim Hui-won clarified his stand on the urgent outstanding issues such as the withdrawal of the U.S. troops from South Korea, the abolition of the "National Security Law", the warlike utterances of the "defence minister" and the murder of student Kang Kyong-tae.

Pak Kwan-yong was much perplexed and went away as if he were taking to his heels in great haste.

After Pak Kwan-yong left the place, Kim Hui-won requested a press conference and elaborated on what he had intended to say to the South Korean "National Assemblymen".

I wanted to meet with the "National Assemblymen" of South Korea because I intended to discuss with them important political matters and the question of the U.S. troop pullout, Kim Hui-won said, and continued:

Why only the "National Assemblymen" of South Korea do not utter an explicit word about the withdrawal of the U.S. forces?

The more than 1,000 pieces of the U.S. nuclear weapons in South Korea, whether they are defensive or offensive, are only harmful to peace and security of our nation.

South Korea even pays the expenses for the maintenance of the U.S. forces. The South Korean "National Assemblymen" should immediately lay before the "National Assembly" the questions of the pullout of the U.S. forces and nuclear weapons, the fees for the use of bases by the U.S. forces and compensation for damages and hold protest rallies.

What I wanted to tell the South Korean "National Assemblymen" was the question of the abolition of the "National Security Law", he said, and went on:

The "National Security Law" defines the North as the biggest "enemy". I don't know how the South Korean "National Assemblymen" could come to Pyongyang. Would they not be imprisoned like the Rev. Mun Ik-hwan and woman student Yim Su-kyong, when they got back?

The South Korean "National Assemblymen" should sternly take the "defence minister" to task for his recent bellicose statement threatening to send "commandoes" to "surprise and attack" "atomic reactor facilities" of the North whose existence he did not exactly know and make a clarification about it.

The ridiculous talk of the "defence minister" is as good as a declaration of war and so can never be pardoned.

The "defence minister" must be dismissed and jailed.

The death of student Kang Kyong-tae hit by iron clubs of police in a peaceful demonstration is not a question confined to one student. The case is a signal shot declaring the end of the No Tae-u "regime".

The South Korean "National Assemblymen" should feel responsible for their backing the present murderous "regime" till now and turn out to force No Tae-u to step down and dissolve the "Democratic Liberal Party".

They should have a clear understanding of the reality in the North. In the North everyone, whether man or woman, young and old, lives in peace without any worries and all the people and soldiers are participating as masters in peaceful economic construction including Tongil Street.

This is possible only where there is a great leader.

The reality that the people in the North are united in one body around the great President Kim Il-song and the dear leader Mr. Kim Chong-il is a thing from which one should learn, whether it is communism, leftism or any other.

The "National Assemblymen" should bring this home to the South Korean people.

It is obvious that there is no sense of heterogeneity between the North and the South as shown by the unified Korea team at the 41st World Table Tennis Championships, though there is much talk about "heterogeneity" in South Korea.

The South Korean "National Assemblymen" should look squarely at and have a correct understanding of the reality in the North, participate in the movement to make foreign forces withdraw, scrap the "National Security Law", bring the "defence minister" to criminal punishment and bow on their knees to the body of student Kang Kyong-tae.

I am convinced that the reunification of the country will be surely realised in not distant future in accordance with the proposal of confederacy put forward by President Kim Il-song, declared Kim Hui-won.

University Students Protest ROK Student Murder

SK0505090691 Pyongyang KCNA in English 0827 GMT 5 May 91

[Text] Pyongyang May 5 (KCNA)—Students of Kim Il-song University and Kaesong held rallies on May 4 to denounce the U.S. imperialists and the No Tae-u military fascist clique for slaying Kang Kyong-tae.

Speakers at the students rally at Kim Il-song University stated that the murder of student Kang Kyong-tae is not an accident caused by a few individual policemen but a direct offspring of the colonial military fascist ruling system of the present "6th Republic" backed by the U.S. imperialists.

The U.S. imperialists are the very ones who have placed South Korea under the fascist "security-oriented rule" and encourage the puppets to habitually suppress people and commit man-killing, the speakers said, and pointed out:

The South Korean students and people can not rid themselves of the present sufferings and misfortunes as long as the U.S. imperialists, the sworn enemy of the Korean nation and vicious wreckers of peace, reunification and democracy, stay in South Korea.

History and nation will never pardon the crimes of the No Tae-u military fascist clique, the enemy of peace, reunification and democracy and human butcher, and will certainly settle their account with them.

The speakers solemnly warned that although the fascist butchers can kill a student today, they will have to meet an ignominious end in face of the struggle of thousands of, tens of thousands of patriotic students and people tomorrow.

Speakers at the Kaesong rally pointed out that the butcher No Tae-u group which plunged the whole area of Kwangju into a sea of blood fired tear-gas canisters and bullets at a large number of patriotic students who ardently called for independence, democracy and reunification, bringing them to critical conditions, and tortured patriotic people and students by inhuman and medieval methods at secret prisons and threw their bodies into rivers, seas and caves.

With no sophism and artifice can the traitor No Tae-u conceal his true color as a man-killer, the speakers stated, and demanded him to officially apologize to the people for the murder of Kang Kyong-tae and resign without delay as demanded by the students and all other people.

Chongnyon Denounces Murder

SK0405002791 Pyongyang KCNA in English 1520 GMT 3 May 91

[Text] Pyongyang May 3 (KCNA)—The Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) released a statement on April 30 bitterly denouncing the No Tae-u fascist ruling group's brutal murder of student Kang Kyong-tae of Myongji University in Seoul.

The statement said:

This case is not a casual incident but an inevitable result of the No "regime's" military fascist nature and its anti-democratic, anti-reunification treacherous policy. It is a deliberate and organized crime perpetrated by the present "regime".

The present situation clearly shows that neither democracy nor national reunification which the South Korean students and people desire so ardently can be expected under the rule of the No Tae-u puppet authorities.

We believe that the honest-minded people of the world including the Japanese people will condemn the South Korean authorities' fascist atrocities and fully support and encourage the South Korean students and people in their righteous struggle for the democratisation of the society and the reunification of the country.

South's National Security Law Called 'Fascist'

SK0605120491 Pyongyang KCNA in English 1007 GMT 6 May 91

["'National Security Law' Must Be Scrapped Without Delay"—KCNA headline]

[Text] Pyongyang May 6 (KCNA)—Independence and democratization of South Korean society and national reunification cannot be achieved, nor can the present human rights situation in South Korea be set right, as long as the "National Security Law" (NSL) is left intact, says NODONG SINMUN in a by-lined article today.

The "NSL" is an anti-democratic fascist law for the U.S. imperialists and the South Korean authorities to suppress and stifle all the socio-political elements that stand in the way of their colonial fascist rule and in the way of execution of their aggressive war policies, and it is an anti-reunification, anti-national evil law designed to incite hostility against the northern half of Korea and perpetuate the national division, the article says, and goes on:

The "NSL" is an anti-communist fascist law because, above all, it defines the northern half of Korea as an "anti-state organization and region" and is used as a murderous tool to persecute and penalize those who call and fight for the independent and peaceful reunification of the country.

It is widely known to the world that the South Korean authorities arrested the Rev. Mun Ik-hwan and his companion, woman student Yim Su-kyong, Father Mun Kyu-hyon and other visitors to the North on charges of violation of the "NSL" and committed such atrocities as passing heavy penalties on them on false "charges."

And now they are working viciously to impose heavy penalties on the three delegates of the South side who had participated in the Berlin tripartite working-level talks of the Pan-Korean Alliance for National Reunificatimn (Pomminnyon), refusing to release them, in defiance of strong protests and condemnations from public opinion at home and abroad. Worse still, they "blacklisted" some 770 dissidents including Rev. Mun who was released on parole and activist students, branding them as "security risks", and keep them under constant watch.

The true color of the "NSL" as an anti-communist fascist law finds manifestation in the fact that it is used as a murderous tool to criminalize, persecute and penalize even those who try to study democratic and patriotic ideology and ideas, let alone communist ideology and ideas, or to have a correct knowledge of the reality of the northern half of Korea. Freedom of thought, speech and the press is one of the important contents of human rights. This notwithstanding, the South Korean authorities have arrested a large number of students, charging those who had books on the chuche idea or read them with "carrying literatures benefiting the enemy" under the "NSL," and incarcerate at all times those who published and sold books related to the northern half of Korea.

The "NSL" is an anti-communist fascist law also because it is a murderous tool designed to suppress the democratic forces which call and fight for the democratization of South Korean society, branding them as a "pro-communist organization benefiting the enemy," "pro-communist leftist forces."

The South Korean authorities suppress the National Council of Student Representatives (Chondaehyop), a legitimate organization of South Korean students, and the Coalition for National Democratic Movement (Chonminnyon), the National Council of Trade Unions (Chonnohyop), the National Federation of Peasant Associations (Chonnonghyop) and the National Teachers Union (Chongyojo), independent democratic organizations, and even patriotic and democratic organizations of men of culture and religion, branding them as "pro-communist leftist forces."

Under this fascist law South Korea has now been reduced to an extremely closed society where even contact between fellow countrymen is incriminated and utterly prohibited, to the world's worst zone of human rights violation in which elmmentary democratic liberties and rights are not allowed.

The "NSL," an evil law which totally tramples upon the freedom of assembly, association and demonstration, the elementary democratic demand of the people, and the freedom of choice of ideology, academic studies, press and publication activities and so on and blocks North-South contacts and dialogues and the road to reunification, must be abolished, and all the people who have been unwarrantably arrested and penalized by it must be released without delay.

Symbolism of Unified Korean Team Viewed

SK0705061491 Pyongyang KCNA in English 0524 GMT 7 May 91

[Text] Pyongyang May 7 (KCNA)—The birth of a unified Korea team symbolic of "one Korea" and its victory showed our nation's original natures beyond the bounds of the North and the South and were a victory of the national idea over the difference of ideologies and systems and a victory of the line of collaboration and reunification over the line of division and confrontation, stresses NODONG SINMUN today, commenting on the success of the unified Korea team at the 41st World Table Tennis Championships.

The signed commentary titled "Exciting Scene of 'One Korea,' 'Unified Korea'" says:

The players of the North and the South, who had competed with each other as separate teams at international games although they shared the same blood, appeared in the gymnasium as a unified team under one flag. The Koreans in Japan under Chongnyon [General Association of Korean Residents in Japan] and "Mindan" [South Korean residents association in Japan], who had lived at feud and quarrel even in an alien land, jointly welcomed and cheered the unified Korea team as a joint cheering group. This was an event which will be specially recorded in the history of the national movement for reunification.

The matches of the unified Korea table tennis team and the joint cheering of Koreans in Japan marked a historic occasion in displaying the resourcefulness and honour of the Korean nation through national unity and powerfully demonstrating the nation's will for reunification to the world.

Through the championships, the entire fellow countrymen confirmed once again that ours is one nation which cannot live divided into two and the day of reunification is drawing near in actuality.

What could unite the paddlers of the North and the South in mind and purpose so quickly and so easily was the same blood of the nation and the earnest desire for reunification burning in their hearts.

This clearly showed that ours is one nation which has not become heterogeneous despite its division into North and South and its existence under different ideologies and systems and that there is no wall of division in the hearts of the fellow countrymen although the territory is bisected by an iron wall.

The fellow countrymen have deepened their belief that the differences of the North and the South in ideology and system cannot be conditions blocking the unity and reunification of the nation and the reunification can be achieved if they unite, placing the national interests above all else.

The course of the games also proved that if our nation firmly unites into one, it will have a strong matchless power and can proudly rank itself among the world champions.

We contend that the nation must not confine itself to the unified table tennis team today but the North and the South must advance under the banner of national unity and reunification not only in athletic field but in all other fields.

However, the South Korean authorities invariably and persistently pursue North-South confrontation, war and division and busy themselves with mendicant diplomacy and behind-the-scene operations to realise their "unilateral U.N. membership."

As the North and the South participate in the athletic games as "one Korea," so they must join the United Nations as one member. There is no difference in reason between the participation of the athletes in international games as a unified team and the entry of the North and the South into the United Nations as one member.

Papers Views Articles by South Dailies

SK0805063191 Pyongyang KCNA in English 0537 GMT 8 May 91

[Text] Pyongyang May 8 (KCNA)—Leading newspapers of South Korea including CHUNGANG ILBO May 6 and 7 carried anti-DPRK articles titled "Travel Notes on Pyongyang" by "lawmakers" and reporters of South Korea who had attended the 85th Inter-Parliamentary Conference [IPC].

The articles viciously hurled mud at the socialist system of the northern half of the country.

Commenting on these facts, the press group of NODONG SINMUN accompanying the North side's soccer team in Seoul says:

This false propaganda conducted under the very nose of our soccer team staying in Seoul for an appraisal match to select the players of the unified Korea team is an intolerable provocation against us and part of the premeditated and deliberate anti-communist confrontation campaign to annoy us and put down the South Korean people's pro-communist, pro-North reunification feelings getting stronger after the realisation of the unified Korea team.

It is ridiculous and impudent of the South Korean authorities, mere colonial servants, to attempt to impair the chuche-based socialist system of our country which is displaying its dignity and honour throughout the world as a powerful socialist state, independent, self-sufficient and self-reliant in defence.

By slandering our people who call for reunification and demand the release of the visitors to the North and the removal of the concrete wall of division, they only revealed their anti-reunification, anti-national position to deny reunification, continue to arrest those calling for contact and dialogue with the North and build higher walls of division.

While staying in Pyongyang to participate in the 85th IPC, the persons of the south side praised the grand and beautiful looks of Pyongyang and the happy life of our people who are evenly well off without any worries. The very persons, back in South Korea, let loose a string of lies, reversing black and white as if they had never done that. How despicable they are. It is clear that they came to Pyongyang not to do anything required by the mission and idea of the IPC, but to slander us and fabricate something for anti-communist confrontation propaganda.

If those who have been to Pyongyang were true "lawmakers" and reporters representing the "will of the people", they should have lifted up voices of protest against the U.S. imperialists and the puppet clique who have enforced fascist rule against the demands of the people and are engaged in man-hunting, enshrouding Seoul and all other parts of South Korea in tear gas smoke.

But they are playing the main role in an anti-communist script written by the "Security Planning Board", giving up their conscience and reason. What wretched human scum they are.

If the puppets think that with such false propaganda they might impair the northern half of the country vigorously advancing along the road of socialism and win back the the South Korean popular sentiments from the North, it is a miscalculation.

Our people will never pardon such pseudo-"lawmakers" and reporters who play the role of bridesmen for the fascist authorities who do not want reunification but pursue anti-communist confrontation, division and war.

The South Korean authorities must immediately stop the vicious anti-communist political campaign throwing a wet blanket over the nation's ardent desire for reunification growing more fervent after the realisation of the North-South unified team, and apologise to us for their lies.

NODONG SINMUN Stresses 'Danger of War'

SK0705105991 Pyongyang KCNA in English 0959 GMT 7 May 91

[Text] Pyongyang May 7 (KCNA)—NODONG SINMUN today in a by-lined article stresses that the danger of war on the Korean peninsula poses a grave threat to peace and security in Asia and other parts of the world.

It says:

Tensions are coiling up and the danger of a nuclear war is increasing with each passing day on the Korean peninsula.

What is noteworthy in the U.S. imperialists' military moves is that they set the Korean peninsula as the ignition point of next war and are directing spearhead of armed invasion to it [as received].

The U.S. military worked out a plan of 120-day Korean war with a delusion to easily achieve their aggressive aim through a bombing operation as fierce as in Gulf war.

As a pretext for a war, they put up the question of inspection to non-existing nuclear facilities. The South Korean puppet defence minister's threat of "surprise attack" on us bespeaks that the puppets were ordered by their U.S. masters to make a surprise attack which means the start of a war.

The United States is pursuing confrontation and aggravation of tensions in an attempt to find a pretext for shunning the withdrawal of its troops and nuclear weapons from South Korea. This is also worthy of notice.

The United States is answering the just demand for the withdrawal of its troops and nuclear weapons from South Korea with the long-term occupation of its forces of aggression and a threat of mass destruction war. This action is an undisguised expression of the imperialists' brigandish nature and a criminal move to destroy human civilization and peace.

What is also noteworthy in the U.S. military moves is that it is trying to put into practice its anti-socialist, Asia-Pacific strategy by igniting another war in Korea.

The United States, taking advantage of the destruction of equilibrium of forces in the international relations, is scheming to carry out by force its aggressive plans which it has failed.

The U.S. imperialists' adventurous military moves on the Korean peninsula pose a great danger.

The U.S. imperialists who have become arrogant and acted the giddy goat through the Gulf war have an illusion that they will be able to strike any target and do anything if they want.

If a war breaks out in Korea, Asia and the world can never be quiet.

The Korean peninsula is a point of serious confrontation between socialism and imperialism and an area where political, economic and military interests of the great power are entangled. It is not difficult to suppose that if a war breaks out here, it will spread out to vast areas, bringing enormous disasters to the world people. What is worse, more than 1,000 pieces of nuclear weapons have been deployed in South Korea.

The danger of a war must be removed before ignition.

Article Calls WPK 'Great Mother Party'

SK0805111791 Pyongyang KCNA in English 1021 GMT 8 May 91

["WPK [Workers' Party of Korea] Is Great Mother Party Responsible for Destiny of Popular Masses"—KCNA headline]

[Text] Pyongyang May 8 (KCNA)—NODONG SINMUN today comes out with a signed article entitled "The Workers' Party of Korea [WPK] Is Great Mother Party Which Is Leading the Destiny of Our People, Responsible for It".

The Workers' Party of Korea which takes the chuche idea of the great leader Comrade Kim Il-song as a guiding principle of all its activities is, literally, the mother party, the aticle says, and goes on:

Today, the WPK is brilliantly shining as a great party which is so deeply trusted and positively supported by the people and which is possessed of unbounded honor and dignity. This is precisely because it is the mother party which values and loves the popular masses boundlessly.

The dear leader Comrade Kim Chong-il pointed out:

"What is important in strengthening party leadership with the main emphasis on work among people is, above all, for it to fulfill its duty as the mother party responsible for the destiny of the popular masses".

The respected leader Comrade Kim Il-song has made tireless efforts and given energetic leadership to strengthen and develop our party into a great mother party which is leading the destiny of of people, fully responsible for it. His noble love for and spirit of devoted service for the people have brought the happiness to our people and prosperity to our nation and become a basic source which has enabled our party to have a high prestige as the mother party.

Dear Comrade Kim Chong-il who is translating the lofty intention of Comrade Kim Il-song into practice further deepened and developed the idea that the party should become the mother of the popular masses and has wisely led the party organisations and officials to devotedly serve the people with noble love for them.

The unique idea that the party must become the mother of the popular masses, and the brilliant embodiment of the idea—this is the great exploit performed by the great leader and our party centre while energetically leading the party construction and activities with the outstanding idea and theories through practical struggle. This immortal exploit will shine forever with the history of the struggle of the working-class party and the future of communism as well.

Our party has become the mother party which devotedly serves the people because it personifies on the highest level the chuche viewpoint of valuing the people most and sincerely believing and loving them.

Referring to the noble trait of our party as the mother party, the article points out in detail:

The trait is expressed in working out line and policies in keeping with the will and demand of the people and carrying them through by enlisting the ingenuity of the masses and in looking after the political integrity and material and cultural life of our people with full responsibility.

The noble trait also finds its expression in the conversion of party work into the work with the people and in the devoted services of all the cadres for the people as genuine servants of them.

"Serve the people?"—this is the slogan put forward by our party centre to realise the party leadership in close combination with the revolutionary mass line. Our cadres deem it as the greatest honor and happiness to devotedly serve the people, always conscious of their duty as servants of the people, as intended by the party.

Our party's spirit of devoted service for the popular masses and popular policies and our party's deep concern and loving care for each family and individual produce unquestioned trust of the popular masses in the party and closely link the party with them by a blood vessel.

The leadership of the great party which has struck its roots deep among the popular masses, the high devotion and indomitable struggle of the popular masses who uphold it with allegiance—herein lies the source of the might with which to brilliantly accomplish the revolutionary cause of chuche, surmounting any storm and trial.

Editorial Urges Fulfilling State Budget

SK0405082691 Pyongyang Domestic Service in Korean 0010 GMT 20 Apr 91

[NODONG SINMUN 20 April editorial: "Let Us Successfully Fulfill This Year's State Budget"]

[Text] The Second Session of the Ninth Supreme People's Assembly was held under grand circumstances in which all the people of the entire country are unanimously accelerating production and construction by upholding this year's New Year address by the great leader Comrade Kim Il-song. Relevant bills based on the summation of the fulfillment of the state budget for last year and the deliberation of the state budget for this year were adopted at the session.

The dear leader Comrade Kim Chong-il has indicated: The state budget is the country's basic financial plan regulating the country's overall economy.

The state budget, as the state's basic financial plan, is a state law that regulates the country's overall economy. When we properly formulate the state budget and correctly fulfill it, all the units can properly increase the country's economy by earnestly and assiduously carrying out their economic activities.

This year's state budget was realistically and reasonably appropriated so as to financially and firmly guarantee the struggle by our people to effect a new upsurge in socialist construction by upholding this year's combative tasks expounded by the great leader Kim Il-song in his New Year address.

Successfully fulfilling this year's state budget, therefore, is an honorable and rewarding task in more highly displaying the superiority of our country's socialism by effecting a new upsurge in socialist construction and by actively accelerating economic construction.

All the sectors and units of the national economy should successfully fulfill this year's state budget by effecting more upsurges in socialist construction based on the successes already achieved. It is of utmost importance for all the functionaries and the working people to unconditionally and thoroughly carry out our party's financial policy by considering it as their guideline.

Our party's financial policy guarantees the correct balance between accumulation and consumption and properly embodies the developing principle of the socialist planned economy, which is continually innovating and advancing.

This is reflected in the people-oriented policy of our party, which, under the slogan "Serving the people" is devotedly struggling only for the interest and happiness of the popular masses, and which also is the genuine superiority of our country' socialist system in which all the social treasures are being created for the popular masses and in which everything is being spent for them.

All the functionaries and working people should deeply study and grasp the financial management concept of the great leader Comrade Kim Il-song as well as our party's financial policy—which is the embodiment of the former—and implement them thoroughly and unconditionally so that they can thoroughly exert their endless loyalty to the party and the leader by putting financial management into practice.

Important in the execution of the state budget is to systematically increase the state budget revenue. Revenue is the precondition and guarantee for expenditure. We should increase revenue so as to smoothly supply the funds necessary for the revolution and for construction, and to continuously increase expenditure as well. Increasing production and savings is the fundamental way to increase the sources of revenue in conformity with the people-oriented nature of the socialist state budget. Party members and working people of all sectors of the people's economy should uphold the decision of the 17th plenary meeting of the sixth party Central Committee and wage a continuous and vigorous struggle as a campaign of the entire masses to increase production and save to the utmost degree in all realms of socialist construction.

Plants and enterprises should mobilize the inner reserves to the utmost degree, effectively utilize the available economic base, and normalize production at a high level so that they can reduce the cost of production and increase profit. In particular, plants and enterprises of the light industrial sector, which share a large portion of the source of state budget revenue, should increase the production of people's consumer goods so that they can earn more money for the state treasury while increasing the people's living standards.

The plants and enterprises of the key industrial sector should also well maintain the daily necessaries of work sites and work teams as required by the party, and should produce daily necessaries of various kinds by actively mobilizing the byproducts. The service sector should increase service networks and kinds of service to briskly conduct various service activities, further modernize service work, and enhance the quality of service.

Reserves are available everywhere. They increase with the growth of the economy and with the sophistication of enterprise management. All sectors and units of the people's economy should uphold the party's militant slogan "Let us save, save, and save," and should save raw materials, fuel, and energy as best as they can, and should vigorously accelerate production and construction, actively finding inner reserves.

The greatest potential for production increase and saving lies in technological innovation. All plants and enterprises should conduct mass-oriented technological innovation more vigorously so that they can highly exalt the talents and creativity of the producing masses. By so doing, they should produce and put into practice more technological innovation plans and rationalization plans, and should intensify creative cooperation among scientists, technicians, and producers so that they will improve technology and continuously create advanced technological and economic standards.

The local budgetary system is a new socialist budgetary system of our own style that enables us to well manage the local economy, as well as the overall economy of the country, enhancing the responsibility and creativity of the local institutions while firmly ensuring the state's centrally controlled guidance. We should intensify and develop the local budgetary system and highly exalt its superiority and vitality so that we can accurately fulfill the state budget for this year.

The basic unit of the local budgetary system is the county. Therefore, the function and role of the county should be decisively enhanced. Local institutions should effectively manage the county's power organs as well as administrative and economic organizations, and should enhance their functions and roles to strengthen their economic base and develop their economy comprehensively.

All counties should develop local industry and agriculture in conformity with their specific characteristics, and should actively conduct service activities so that they can earn more money, better manage their counties, and bring forth more comfortable people's lives. At the same time, the counties should actively conduct the campaign to win the tile of exemplary county of the local budgetary system, and should further demonstrate the justness and superiority of our party's policy of the local budgetary system.

We should continuously improve the financial management of plants and enterprises. Plants and enterprises are the basic units of production where the gross product of society and national income are created at first hand, and the basic units where the country's finance and capital are created and utilized. We should well conduct the financial management of plants and enterprises so that we can correctly carry on the country's overall financial work.

Plants and enterprises in all domains of the national economy should direct great strength to financial management, together with management of facilities, materials and manpower, and should register a decisive turning point in overall enterprise management.

In order to properly carry out the financial management work in plants and enterprises, the independent profit system should be implemented correctly. Plants and enterprises should correctly implement the independent profit system in compliance with the demand of the Taean work system, and should make both ends meet. Thus, they should give more profits to the state.

To do this, the two-fold independence profit system and semi-independence profit system should be actively implemented by precisely utilizing such economic levers as cost, price and profitableness.

The funds of the state budget in our country are a common wealth of the state and society accumulated by all the people and are precious assets for constantly enhancing the nation's economic development and the people's living standard.

Organizations and enterprises should establish a strict discipline of using funds of the state budget only in accordance with the purpose and provisions stipulated in the budget, and should highly display ethos worthy of masters who conserve and economize even a penny.

All domains in national economy should thoroughly observe the principle of monolithic financial management system and the principle of planning. Thus, they should manage finance in a planned manner under the unified guidance and control of the state, should intensify the financial discipline, and should further enhance the functions of planning of the socialist finance. By doing so, the nation's housekeeping can be more effectively maintained.

This year is the significant year to mark the 30th anniversary of creation of the Taean work system by the great leader Comrade Kim Il-song. The basic key to registering an upsurge in socialist economic construction and to successfully executing this year's state budget lies in thoroughly implementing the Taean work system.

Plants and enterprises in all domains of national economy should defend, adhere to and thoroughly implement the Taean work system—the chuche-oriented socialist economic management system created by our party. Thus, they should highly display its superiority.

Complexes, plants and enterprises should strengthen the collective guidance of the party committee, should give priority to the political work and the work with men, and should manage and operate the economy in a scientific and reasonable manner in compliance with the socialist economic laws and regulations and with the principle of socialist economic management.

Enhancing the role and responsibility of functionaries of the financial management sector is an important guarantee for successfully executing this year's state budget. Functionaries in the financial sector should further strengthen and develop the daily production and financial summation system, whose superiority has been proven through practice. In particular, they should implement this system by closely linking it with the exemplary work-team movement for production increase and conservation.

The banking organizations should correctly supply all funds of the nation by strengthening the control over won and should effectively use it. The party's guidance over execution of the state budget should be strengthened.

Party organizations at each level should further strengthen the organizational and political work in compliance with the demand of developing realities, and should precisely organize and mobilize party members and workers in implementing this work.

Party organizations should understand and grasp the status of execution of the state budget in their respective domain and unit and should timely correct deviation which is turned up. Thus, they should properly carry out the summation work and rearrangement work.

Today our people's revolutionary zeal and spirit of struggle are very high. Under the militant slogan, "What the party decides, we will do," our people are effecting constant innovations in production and construction while highly displaying the spirit of self-reliance and arduous struggle.

By cherishing firm conviction in victory, all functionaries in organizations of the popular government and administration and economic organizations should deeply mingle with the masses and should correctly organize and mobilize their enhanced revolutionary zeal and creative activeness so as to effect a turning point in executing this year's plan and state budget. Thus, they should more highly display the honor of our Republic and heroic spirit of chuche Korea.

Construction of Border City of Namsinuiju Viewed

SK0705152391 Pyongyang KCNA in English 1506 GMT 7 May 91

[Text] Pyongyang May 7 (KCNA)—Namsinuiju, situated in the lower reaches of the Amnok River in the northern tip on the west coast of Korea, is being built in a peculiar way as a border city.

Modern apartment houses for 30,000 families will be built till 1993 in this area covering nearly 70 million square metres.

Over 10,000 flats are now under construction, 5,000 of which will be completed within this year.

The construction of thousands of flats has entered the finishing stage and roadbed project of a thoroughfare and streets has been completed.

What is attracting particular attention is that the diverse styles of calcium silicate brick houses are being erected according to the topographical features of hills districts of the city.

An average floor space for every flat of 5-8 storeyed apartment houses is 105 square metres.

The new area of the city now under construction will be divided into 14 blocks and each block will have sufficient conditions for convenience of the residents in their living.

A school children's palace with a total floor space of 25,000 square metres, a circus theatre, a people's study house, an art theatre and an international hotel are also under construction.

A sports village with a 5,000-seat gymnasium, a stadium, a swimming pool, an ice rink, a training hall, a sportsmen's hotel and others will be built.

And the railway line crossing the city will be moved to its suburbs and instead a canal 80 m wide and 20 km long will dug and a park and recreation ground be laid out.

A flower garden, a zoo park, a botanical garden, etc. will be built up for the cultural and emotional life of working people.

The June 24 General Construction Bureau and the November 10 Youth Shock Brigade with rich experience and solid material and technical foundations and other powerful construction collective are taking part in the building of Namsinuiju.

The Pihyon Calcium Silicate Brick Factory, the Sangwon Cement Complex and other central enterprises and ten finishing building-material production units in North Pyongan Province are in charge of materials and equipment for its building.

KCNA Review of 8 May Pyongyang Press

SK0805070191 Pyongyang KCNA in English 0515 GMT 8 May 91

[Press review]

[Text] Pyongyang May 8 (KCNA)—NODONG SINMUN today carries news that the speech of the great leader President Kim Il-song at the opening session of the 85th Interparliamentary Conference was reported by foreign radios and conveys what the chief editor of the indian paper INDIAN and world event said about it.

Appearing in the paper is news that the Soviet paper PRAVDA reported that President Kim Il-song met with the premier of the State Council of China.

Papers run editorials hailing the successful Korean visit of Premier Li Peng.

MINJU CHOSON carries an article on the affection and benevolence shown by President Kim Il-song to academician and doctor To Sang-nok who was a well-known physicist of the country.

NODONG SINMUN and MINJU CHOSON highlight news that functions took place in different countries on the occasion of the 15th of April.

Carried in NODONG SINMUN are the words of South Korean people ardently revering the dear leader Comrade Kim Chong-il.

Papers inform the readers that thanks of the C.C. [Central Committee], the Workers' Party of Korea [WPK] was conveyed to the workers and technicians and office employees of the Chaenyong mine and Three Revolution Team members dispatched there who had set an example in increased production and economy.

NODONG SINMUN runs an article headlined "The Workers' Party of Korea Is the Great Mother Party Which Is Leading the Destiny of Our People, Responsible for It."

Econews of the press includes reports about the innovations in the manufacture of 50,000 KW thermal generating equipment and in coal production.

NODONG SINMUN reports that the Syrian president met with the WPK delegation on a visit to his country, the Equatorial Guinean president met with the DPRK ambassador to his country and bosses of Peruvian political parties met with the DPRK ambassador to their country separately and the newly-appointed Korean ambassador paid a courtesy call on the prime minister of Antigua and Barbuda.

Given in the paper is an account of a party arranged in Tokyo to see off the unified Korea table tennis team.

Spotlighted in the press is news that the footballers of the North and the South for the appraisal match to select players of the unified North-South soccer team had a joint training in Seoul, our side's soccer team held a memorial service for patriotic students in Seoul and the head of our side's soccer team and the chairman of the working committee sternly protested against the anti-reunification policy of the South side.

Carried in papers are a commentary denouncing the anti-DPRK smear campaign of the South Korean authorities against the socialist system and an article condemning their act of obstructing the activities of the North side's reporters who went to Seoul to cover the appraisal match of the North-South unified soccer team.

NODONG SINMUN in a commentary hits out at the rigmarole of No Tae-u that democratisation has been realized in South Korea.

The paper runs an appeal issued to the press by the Central Committee of the "South Korean National Democratic Front" (Hanminjon) calling on the entire people to turn out in struggle in protest against the brutal murder of student Kang Kyong-tae.

Students of the northern half of Korea denounced the brutal murder of Kang Kyong-tae and South Korean people of all walks of life and students continued to struggle demanding the disbandment of the "Democratic Liberal Party" and the resignation of the No Tae-u "regime," says the paper.

The paper reports that Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, met with youth representatives of all strata who were to participate in a round-table conversation to mark the 72nd anniversary of the May 4 movement.

Foreign news columns of the paper include reports that the Chinese PEOPLE'S DAILY underscored the need to oppose bourgeois liberalisation, Nguyen Van Linh, general secretary of the Central Committee of the Communist Party of Vietnam, called for strengthening the leadership role of the party, the Central Committee of the Mongolian People's Revolutionary Party published an appeal on the occasion of the 70th anniversary of the victory of the people's revolution, the Iranian president flailed the U.S. monopolistic moves and the Namibian president outlined the need for national unity.

The Soviet interior and defence ministries issued a joint report on the disputes in Ciscaucasia, a recent issue of the Soviet paper SOVETSKII PATRIOT criticized the United States' brigandish methods, according to the paper.

Papers inform the readers that the Japanese prime minister in his policy speech in Singapore repented of the past acts of Japan which imposed hardships and misfortunes on the peoples in the Asia-Pacific region and the 5th Sino-Soviet border talks were held.

NODONG SINMUN carries an article under the title "Anti-war, Anti-nuke Peace is Consistent Stand of Our Party".

South Korea

North Minister Suggests Renewal of Talks 'Soon'

SK0805013791 Seoul YONHAP in English 0123 GMT 8 May 91

[Text] Geneva, May 8 (YONHAP)—North Korean Public Health Minister Yi Chong-yul said Tuesday North Korea would soon agree to resume the inter-Korean prime ministers' talks.

The two sides should resolve many pending issues between them, including entry of the two Koreas into the United Nations and realization of reunification in the premiers' talks, Yi said in an exclusive interview with YONHAP News Agency.

Yi, visiting Geneva for a meeting of the World Health Organization (WHO), also said he had made it clear in talks with South Korean Health and Social Affairs Minister Kim Chong-su and South Korean Ambassador to Geneva Pak Su-kil that Pyongyang opposes simultaneous U.N. entry of South and North Korea or South Korea's separate membership.

Yi, who once visited Seoul with the North Korean delegation to inter-Korean Red Cross talks, said that Kim offered to enter into personnel and material exchanges in the field of public health to improve mutual health standards.

Kim said Yi showed a positive response to the proposal.

North Korea unilaterally postponed the fourth round of the premiers' talks, slated for late February in Pyongyang, to protest the annual South Korea-U.S. "Team Spirit" joint military exercise.

IPU Gains, Losses for North Korea Analyzed

SK0805084391 Seoul HANGUK ILBO in Korean 8 May 91 p 5

[Article by reporter Yi Kye-song of the North Korean Department]

[Text] What did North Korea gain in the 85th Interparliamentary Union [IPU] conference? Even though North Korea has not yet officially commented on this, it seems that the meaning of the Pyongyang IPU conference is not negligible to North Korea.

At a time when North Korea is severely isolated diplomatically in the wake of abrupt changes taking place in socialist circles, including the Soviet Union, and in the wake of the ROK-Soviet summit talks, approximately 830 persons—86 countries' parliamentarian delegates and about 10 international bodies' delegates—visited Pyongyang. The IPU conference cannot but be a very encouraging event to North Korea. North Korea utilized the 85th IPU conference as an opportunity to avoid the international denunciation directed at it because of the issues of a nuclear-free Korean peninsula and entry into the United Nations. In addition, North Korea tried to slough off the responsibility for the tension on the Korean peninsula to the ROK and the United States.

In an opening address, Kim Il-song strongly pointed out the issues of a nuclear-free Korean peninsula; of the justness of its reunification proposal by way of confederation; of a ban on the development of nuclear weapons; and of an arms cut. Given the current South Korean confused situation created by a murdering incident and successive self-immolation incidents, his effort to gain a peaceful image may have had considerable appeal to those in attendance.

A large portrait of Kim Il-song hanging in Mansudae Assembly Hall, which was the conference site, was veiled by an IPU placard, and other portraits of him hanging in guest residential quarters were also removed. Such activities clearly explain what North Korea was doing.

It is, however, true that the IPU conference was a considerable burden to North Korea.

Above all, the IPU conference was held plainly. This was quite different from other international functions held in Pyongyang.

In a subcommittee for making basic drafts of arms cuts, North Korea tried to persuade other member countries to accept resolutions helpful to North Korea. But, North Korea failed to persuade them. Rather, it was decided at an IPU plenary session that "all countries should conclude the nuclear safeguards accord unconditionally." This greatly perplexed North Korea, which links the issue of withdrawing the U.S. forces from South Korea with the issue of concluding the nuclear safeguards accord.

In addition, a delegate of the Austrian parliamentary delegation pointed out in his keynote speech North Korea's human rights situation. German delegates refused to hold a meeting with President Kim Il-song because of the North Korean human rights situation. Given the fact that Western reporters, who covered the IPU conference, carried articles denouncing North Korea, it can be said that nothing helpful was gained by North Korea in the IPU conference.

However, if North Korea gained some insight for correctly reading the tenor of international opinion through this IPU conference, it also can be said that no loss was inflicted on North Korea.

North Officials' Statement Shows Flexibility

SK0805011991 Seoul THE KOREA TIMES in English 8 May 91 p 6

[Editorial: "Pyongyang's Unification Policy"]

[Text] North Korea has shown a sign of change in its main position vis-a-vis the South, on national reunification, raising a glimmer of hope for a compromise on the vital problem separating Seoul and Pyongyang.

Admittedly, North Korean President Kim Il-song very recently reiterated Pyongyang's long-standing Koryo confederation unification policy, calling for the unity of the two Koreas under a political system bearing the name of the Democratic Confederal Republic of Korea. Kim's statement delivered at the recent Inter-Parliamentary Union (IPU) conference betrayed previous indications that he would present a new unification formula.

Yet, the Pyongyang regime later came up with a slight modification to this formula though basically it is maintained. Yun Ki-pok, secretary of the North Korean Workers Party in charge of unification problems, is said to have unveiled a new plan in which the governments of South and North Korea would exercise sovereignty in diplomatic and military matters temporarily under the confederation system.

Yun's proposition is to grant the two Koreas limited sovereignty in diplomatic and military affairs until they achieve full unification, as compared with the previous formula granting these powers to the proposed confederation. In other words, the plan calls for one nation, one state, two systems and two governments.

The new Pyongyang plan, at any rate, can be appraised as moving one step closer to Seoul's unification formula. As Yun himself put it, it is "very similar" to the South's overture.

The Seoul unification plan, enunciated by President No Tae-u on September 11, 1989, incorporates a Korean National Community Unification Formula, calling for the merger of South and North Korea, under the principles of independence, peace and democracy, in a united democratic republic. Conspicuous in the formula is the intention that the united republic be built upon a Korean Commonwealth which would function during an interim stage.

The installation of a transitory stage is also seen in Pyongyang's new unification overture temporarily allowing the two Koreas to exercise sovereignty in diplomatic and military matters under a loosened confederation. And this leaves room for the rival Koreas to reach a compromise over the unification question through negotiations.

With the ultimate goal of integrating the divided countries into a single nation-stage, the two Koreas may well set an interim stage before full national unity in which both recognize each other and seek co-existence and co-prosperity, thus accelerating the homogenization and integration of the national community.

There is no denying that Korea should be reunified to realize 70 million people's ardent aspirations. But it is utopian to expect the Korean people to achieve unification overnight without clearing away the deep-rooted mutual distrust and antagonism that has been formed during the past four decades since the national division.

Some negative developments seen recently in the new, unified Germany have provided us a good opportunity to review and rearrange our unification policies in terms of the process of integration and their impact on the outcome of unification.

For the present, the government authorities seem to think that Yun's statement has displayed some flexibility over the unity question but that the North's basic stand has not changed. In fact, the new plan has yet to be presented in detail to our side so that it can respond to it. Then, Pyongyang needs to come up with a more concrete overture, if it has really any intention of revising its stand.

North Soccer Team Arrives in Seoul for Tryout

SK0605052291 Seoul YONHAP in English 0504 GMT 6 May 91

[Text] Seoul, May 6 (OANA-YONHAP)—A 70-member youth soccer contingent from North Korea arrived Monday in Seoul after crossing the border at the truce village of Panmunjom for practice games with the South Korean team to pick a single Korean squad for the world youth football championship in June in Portugal.

The North Koreans, led by Yi Myong-song, vice president of the North Korean Soccer Association, were received by O Wan-kon, vice president of the South Korean Football Association, after crossing the Military Demarcation Line.

After taking a brief rest at the South Korean area of Panmunjom , the North Koreans boarded cars and buses and headed for a hotel in eastern Seoul where they will stay three nights. They were welcomed by their Southern counterparts at the hotel.

In the afternoon they will tour Olympic Stadium, where the first match will be played Wednesday. The North Koreans will be guests of honor at a dinner hosted by Kim U-chung, president of the South Korean Football Federation.

South and North Korean players will exercise together at Olympic Stadium Tuesday. The North Koreans leave Seoul Thursday morning for Pyongyang, where they will meet their Southern counterparts for similar practice games next week.

South and North Korea agreed in February to field a joint team to the championship in Portugal. It will be the second joint representation at an international sports event since national division in 1945, following the 41st world table tennis championships in Chiba, Japan, which ends Monday.

Issues Arrival Statement 6 May

SK0605073891 Seoul YONHAP in English 0648 GMT 6 May 91

[Text] Seoul, May 6 (YONHAP)—The arrival in South Korea of the North Korean youth football team Monday was significant because the two sides would form a joint squad, as desired by the 70 million Korean people, North Korean Team Spokesman Kim Chong-sik said in an arrival statement.

Forming single teams should be expanded to other areas so the road to unification was shortened, he added.

Led by Yi Myong-song, vice president of the North Korean soccer association, 70 players and officials are in Seoul for tryout games with the South Korean team.

Kim expressed his condolences "along with the entire nation" for the death of Kang Kyung-tae, a Myungji University freshmen who died after being brutally beaten by police during a demonstration last month.

"We strongly wish that we should be allowed to offer our condolences to the deceased patriot," he said, expressing his gratitude to "the brethren of the South who welcomed us along the road although the atmosphere between South and North Korea has recently been cooling off."

Youth Soccer Teams Hold Joint Workout

SK0705052491 Seoul YONHAP in English 0457 GMT 7 May 91

[Text] Seoul, May 7 (YONHAP)—North Korean soccer players wasted no time on their first morning in Seoul, joining their South Korean colleagues for a quick workout before breakfast Tuesday.

They went straight to Chamshil Olympic Main Stadium, where trials will be held Wednesday to select a single Korean team for the world youth soccer championship in Portugal next month.

A 70-member North Korean delegation arrived Monday for the tryout to form only the second joint squad to be fielded in an international competition since Korea was divided 46 years ago.

The South Korean players will return the visit next week, when they go to Pyongyang for the final trials.

The visitors admitted they were upset when they arrived, but one practice session and one night together changed all that.

"Everything was strangely new when I first arrived in Seoul, but I now feel as if I am at a relative's house after meeting friends and instructors I've seen before," said Yun Chol, one of the 18 North Korean players.

"I heard much about South Korea when I met its team members on foreign soil," said Yu Sung-il, head of International Affairs at the North Korean Soccer Association. "Now that I am actually here, I feel closer. If South and North Korea feel as we do, unification is certainly not far away."

The players had a chance to get acquainted during their first practice session, on Monday afternoon. They capped their evening together with a dinner hosted by Kim U-chung, chairman of the South Korean Football Federation, who kept everyone up past 11.

At 10 A.M. Tuesday, the South and North Korean players mixed and divided into two groups to test their individual skills and team work. Two coaches, one from each side, co-led the groups.

Team officials and journalists anticipated a more leisurely day . They were to tour an ancient palace, a museum and a science exhibit while the players were working out.

North Soccer Officials Try To See Kang's Body

SK0705095091 Seoul YONHAP in English 0919 GMT 7 May 91

[Text] Seoul, May 7 (YONHAP)—Two North Korean officials, in Seoul with the youth football team, tried to give their hosts the slip Tuesday morning to visit a morgue.

They said they wanted to visit Severance Hospital to see the body of Kang Kyong-tae, a Myongji University freshman beaten to death by riot policemen. They made it out of Sheraton Walker Hill Hotel without their guides noticing, but were spotted by a member of the South Korean youth soccer team.

Since arriving here, officials and players have bombarded their South Korean hosts with requests for a chance to express their condolences to Kang's family.

"Whenever we think of his death, we lose our appetite and we forget about playing soccer," one said.

N-S Soccer Officials Agree To Shorten Training

SK0805061491 Seoul YONHAP in English 0525 GMT 8 May 91

[Text] Seoul, May 8 (YONHAP)—Soccer officials of South and North Korea agreed Wednesday to cut short their joint training designed to select a single Korean team to the world youth soccer championship in Portugal next month from six days each in Pyongyang and Seoul to four days each.

They also agreed that South Korean sports and Youth Minister Pak Chol-on will give a three-minute speech before the first trial game starts at Olympic Stadium Wednesday afternoon.

The South and North Korean soccer teams will have a second tryout in Pyongyang on May 12 for final selection of a joint team. The team will have its first training session in the North Korean capital May 13-16.

Southern players will return to Seoul on May 17 and train May 18-20 and leave for Portugal from here.

North Korean officials proposed the curtailment of joint training in Pyongyang and Seoul, and it was accepted by their Southern counterparts. The Southern side strongly contended that it was customary for the sports and youth minister to address a major event.

ATTU Asks Joint Holding of Table Tennis Games

SK0605085191 Seoul YONHAP in English 0839 GMT 6 May 91

[Text] Chiba, Japan, May 6 (YONHAP)—The Asian Table Tennis Union (ATTU) formally asked the South and North Korean Olympic Committees in letters Monday to jointly host the 1992 Asian Table Tennis Championships as Bangladesh is no longer able.

ATTU asked the olympic committees to discuss co-hosting the 11th championships in inter-Korean sports talks expected in late June.

It proposed that South and North Korea jointly host the championships in an executive committee meeting April 26.

Last December, ATTU chose Dacca as the venue but the southwest Asian nation pulled out due to financial difficulties.

The two Koreas are expected to discuss the matter along with joint participation in the winter and summer olympics next year.

If joint hosting of the championships is realized, it will be a turning point in sports exchanges, building on the unification soccer games and formation of a joint ping-pong team.

DPRK's New Confederation Proposal Reported

SK0505021291 Seoul THE KOREA HERALD in English 5 May 91 p 1

[Text] Tokyo (Yonhap)—North Korea yesterday unveiled a new unification policy in which the governments of South and North Korea would exercise sovereignty in diplomatic and military matters temporarily under a confederation system, a Japanese daily reported.

Yun Ki-pok, secretary of the North Korean Workers (Communist) Party, outlined the policy to a group of Japanese reporters who are in Pyongyang to cover the just-ended Inter-Parliamentary Union conference, the Nihon Keizai said.

Yun was quoted as saying that the North's "two-Korea policy" is very similar to the unification formula of the capitalist South Korea.

The North's idea, Yun said, is to achieve "full" unification after the two Koreas form a confederation which would grant them limited sovereignty in the areas of diplomacy and the military.

Since 1960, North Korea has advocated a policy which calls for unification of the two Koreas by forming a political system by the name of "Democratic Confederal Republic of Korea."

It was not known immediately whether the Communist North now wants to join the United Nations simultaneously with South Korea with separate membership. Pyongyang has to date insisted on a single U.N. membership by the South and North.

Procedures for Direct South-North Trade Grow

SK0605044091 Seoul CHUNGANG ILBO in Korean 30 Apr 91 p 7

[Excerpt] It has been learned that substantial direct trade between North and South Korea is being expanded greatly. Especially, procedures are being made to send not only electric home appliances, such as color television sets and refrigerators that are produced in South Korea, but also to send laundry soap, textiles, and paper to North Korea.

Up until now, trade between North and South Korea was mainly carried out in the form of indirect trade through on-the-spot trade offices in Hong Kong or China. However, this year, South Korea's corporations in Hong Kong became the parties concerned in making direct contracts in North-South trade.

This kind of trade, which the North had previously avoided assiduously, is regarded as an important change in North Korea's attitude on the issue of North-South trade.

According to pertinent organizations on 30 April, up until March of this year, the volume of trade between North and South that had been approved by the governments amounted to $42,895,000.

This volume is three times the volume of trade for the whole of last year, which amounted to $13,465,000.

The amount of products that will be brought in from North Korea will be 48 products from 46 corporations amounting to $32,704,000, and the amount of products that will be sent to North Korea will be nine products from four corporations amounting to $10,191,000. [passage omitted]

Ministry Says U.S. To Turn Over Pipeline

SK0705011191 Seoul THE KOREA HERALD in English 7 May 91 p 3

[Text] The U.S. forces in Korea will turn over free of charge to the Korean government the Trans-Korean Pipeline by Oct. 1, according to the Defense Ministry yesterday.

An agreement will be signed by the U.S. Department of Defense and Korean Defense Ministry officials in June on the transfer of the 450km oil pipeline running between Pohang and Uijongbu, a ministry spokesman said.

In September last year, the Korean and the U.S. governments agreed on the transfer of the pipeline by October this year and started negotiations on the smooth turn-over. Recently, both governments agreed that the U.S. side will turn over free of charge the pipeline, its right of way, stations and storage tanks and other associated equipment, the spokesman said.

The petroleum stations include Camp Libby terminal near Pohang, Waegwan Terminal, Taejon Terminal, Kangnam Terminal and Toegyewon Terminal. Additionally, the stations located on Camp Henry (near Taegu), Camp Humphreys (near Pyongtaek) and Uijongbu will be turned over to the Korean government.

About 80 percent of the fuel pumped through the pipeline is Korean commercial fuel. The Korean Petroleum Corp. is the contractor for the transport of the Korean commercial fuel using the pipeline.

The pipeline was completed in 1970 and Korean commercial usage of the pipeline has contributed to the nation's economic growth, the ministry spokesman said.

Even after the pipeline is turned over to the Korean government, fuel for the U.S. Forces Korea will continue to be transported through the pipeline, he said.

Meanwhile, a ministry official said there is a possibility that the main contractor company for the commercial use of the pipeline may be changed, adding that Ssangyong Oil Refining Co. and Daehan Oil Pipeline Co. are also applying for its commercial usage.

In September last year, the Pentagon announced that the U.S. military would shut down its operations at numerous sites around the world in a bid to reduce the U.S. forces overseas, adding that the operation of the Trans-Korean Pipeline and four U.S. military mountaintop radio sites in Korea will be affected.

Government Auditor To Attend Conference in PRC

SK0505025291 Seoul THE KOREA TIMES in English 5 May 91 p 2

[Text] Kim Yong-chun, chairman of the Board of Audit and Inspection (BAI), will visit China to attend the fifth general assembly of the Asian Organization of Supreme Audit Institutions [ASOSAI] opening Tuesday in Beijing.

Kim, who will be the highest government official ever to visit China, will leave for Beijing tomorrow and return home May 16, a BAI spokesman said yesterday.

However, the spokesman ruled out any political meaning of Kim's visit to China which has no diplomatic ties with South Korea.

Kim will also take part in the 16th and 17th meetings of board of directors of the organ having 23 member countries.

South Korea joined the ASOSAI in 1979 and China in 1985.

Official on Vietnamese Steps for Economic Ties

SK0605052991 Seoul YONHAP in English 0453 GMT 6 May 91

[Text] Bangkok, May 6 (YONHAP)—Vietnam has set up a Korea section in its Foreign Ministry exclusively for South and North Korean affairs, according to Korea Trade Promotion Corp. (Kotra) director Chang Chae-kyun over the weekend.

Chang was in Vietnam April 27-May 4 at the head of a 17-member South Korean Government and private economic mission to mark the 16th anniversary of the unification of Vietnam.

A vice director-general of the northeast affairs bureau and an official of the Korea section of Vietnamese Foreign Ministry told Chang's party that Vietnam was strengthening the function of the Korea section as it anticipated establishing diplomatic relations and bolstering economic exchanges with South Korea.

Chang said he spoke to the Vietnamese officials at a reception he hosted Friday night at the Danchu Hotel in Hanoi.

While expressing deep interest in normalizing diplomatic ties, senior Vietnamese officials also demanded that South Korea open a trade office in Vietnam as soon as possible, he said.

In Vietnam, the 17 officials of the Economic Planning Board, Foreign Ministry, Kotra and private enterprises met members of the Vietnamese chamber of commerce and industry, investment promotion agency and Saigon export-processed industry zone.

They toured the Vietnam spring exhibition '91 in Ho Chi Min City, in which 17 South Korean companies participated.

Defense Officials Meet Malaysian Counterparts

SK0605101491 Seoul YONHAP in English 0754 GMT 6 May 91

[Text] Seoul, May 6 (YONHAP)—Ranking defense ministry officials from South Korea and Malaysia met Monday in Seoul to discuss ways to promote cooperation between their defense industries.

The joint committee on procurement and production of defense items is to meet through Friday to discuss cooperation between the Korea Defense Industry Association (KDIA) and its Malaysian counterpart, the Foreign Ministry said.

The Korean side is headed by Pak Ung, second assistant defense minister, and the Malaysian side by Syed Rosley Abu Bakar, deputy defense secretary.

Since the defense ministers of the two countries signed a memorandum upon the establishment of the joint committee in June 1981, it has met annually, alternately in each capital, except for the last two years, when there was no special agenda, the ministry said.

Belgian Foreign Minister Arrives for Visit

SK0505044891 Seoul YONHAP in English 0243 GMT 5 May 91

[Text] Seoul, May 5 (OANA-YONHAP)—Belgian Foreign Minister Mark Eyskens arrived in Seoul Sunday for a three-day official visit at the invitation of South Korean Foreign Minister Yi Sang-ok.

Eyskens will be meeting with President No Tae-u and Prime Minister No Chae-pong during his stay to discuss matters of mutual interest and ways of increasing bilateral economic cooperation.

On Monday, he will be meeting with Foreign Minister Yi for discussions on trade exchanges, Ministry officials said.

He is also scheduled to meet with South Korea's leading businessmen during the visit.

Seeks Joint Ventures

SK0705012691 Seoul THE KOREA HERALD in English 7 May 91 p 2

[Text] Belgian Foreign Minister Marc Eyskens yesterday hoped for joint ventures between Korean and Belgian enterprises in the fields of nuclear power plant construction and telecommunications, a Foreign Ministry spokesman said yesterday.

During talks with Foreign Minister Yi Sang-ok at the Foreign Ministry, the Belgian official promised taxational benefits to Korean businesses which invest in his country, he said.

Belgium would try to import more from Korea to balance the bilateral trade between the two countries which is now slightly in favor of Belgium, the spokesman quoted Eyskens as saying.

Eyskens and Yi agreed to continue to discuss these and other issues during Korea-EC high-level talks scheduled for Seoul May 27-28, he said.

The Belgian foreign minister came to Seoul Sunday on a four-day official visit at the invitation of Minister Yi.

Eyskens stressed the need for strengthening political consultations between Korea and Belgium to jointly seek ways of integrating North Korea into the international community, the spokesman said.

Pledging his government's full support for Seoul's bid to enter the United Nations, the Belgian minister viewed that China would be aware of political realities in the world and would not oppose Seoul's U.N. membership.

Belgium is a member of the U.N. Security Council for the year 1991-1992 and chaired the council last month.

Minister Yi asked the Belgian government to support Korean study programs at Belgian universities, the spokesman said.

Investment Projects in Indonesia Profiled

SK0805114391 Seoul YONHAP in English 1001 GMT 8 May 91

[By Yi Yong-chol: "Indonesia Emerging as Top Investment Center for Korean Business"—YONHAP headline]

[Text] Jakarta, May 8 (YONHAP)—With the seasonal rains over and the end of Ramadan, the 486-acre field rumbled again with the noise of tractors ripping open the ground to make way for an industrial estate.

"Water and electricity will come in by the end of June," Yi Chung-mo, senior manager of Pt. Hyundai Inti Development, said as he watched the march of progress. Hyundai began construction of Bekasi International Industrial Estate, 37 kilometers east of Jakarta, in April.

Yi said the current development boom across Java Island was like that in the Middle East in the mid-1970s, when Koreans in their tens of thousands migrated in search of work.

Indonesia was Korea's second investment target country in 1990. The Investment Coordinating Board (Bodan Koordinasi Penanaman Modal) [BKPM] approved 85 Korean investment projects worth 821 million U.S. dollars last year, up 4.2-fold from 1988.

Samsung Co. Ltd., trading arm of Korea's No. 1 conglomerate, increased the number of natives employed at its Jakarta branch from four in 1988 to 38 in April.

The number of Korean residents swelled from 2,500 in 1988 to 6,000 last year and is expected to reach 10,000 in one or two years.

Hwang Kyu-chun, assistant director of the Korea Trade Center in Jakarta, said his office bustled with enthusiastic market researchers from 400 Korean firms last year, probably the largest number among the 81 overseas branches of the state-run Korea Trade Promotion Corp.

"We were almost burnt out meeting people last year," he said. "The rush has slightly receded this year."

There are 120 Korean firms operating in Indonesia and another 77 building factories, mostly for light industrial products such as garments, toys, footwear, gloves and photograph albums.

The archipelago was ranked the most attractive choice for a relocation site by both Korean and Japanese businessmen this year in a poll by Korea Small and Medium Industry Promotion Corp. and Tokyo-based economic daily NIHON KEIZAI SHIMBUN put it well ahead of China, Thailand and Vietnam.

Private investment interest in Indonesia has surged in recent years. The value of foreign-invested projects approved by BKPM in 1990 was 8.69 million U.S. dollars, up 85 percent from 1989.

Fueled by recent investment increases, the economy grew 7.4 percent in 1989 and 7.1 percent last year and is expected to expand 6.8 percent this year. The annual target is 5 percent.

Often listed as the country's competitive appeal are cheap labor, a huge market, rich resources and stable politics.

Pay for working on a footwear production line begins at 30 dollars a month and rises to 45-50 dollars after three years, nearly 10 percent of pay in South Korea and lowest of the six members of the Association of Southeast Asian Nations [ASEAN].

"Just imagine, 2.5 million new people are entering the labor market every year and 30 percent of the population has no tangible job," said Hwang. The archipelago contains 180 million people and is the fifth most populous nation in the world.

"Purchasing potential is great, simply supposing 10 percent were rich enough to afford refrigerators," he said.

Investors are also able to expect cost reduction through cheap local oil, liquefied natural gas and other production materials.

Labor disputes are controlled by law and so the prestigious Political Economic Risk Consulting Co. gave a perfect score to Indonesia in terms of labor relations last December.

"Workers are simple and cooperative," said So Yong-yul, director of P.T. Taehwa Indonesia, which began turning out sports shoes in 1988.

He said the Indonesian language helps open communication.

"It is easy to learn. No surprise to see foreigners speaking fluent Indonesian after studying it for 12 months."

His factory employs 4,000 locals who work from 7:30 A.M. for 10 hours except on Sundays and three hours overtime twice a week.

So warned, however, that the absentee rate spirals up to 11 percent after payday and that wages and land prices are soaring.

"Real estate prices have doubled every recent year. Wages jumped 30 percent last year and are expected to go up another 20 percent this year," So said.

He said the ruling functional group (Golkar), with a presidential election due in 1993, has launched a drive to demand a minimum wage (daily 1,600 rupiah) in every workplace.

Compared with other members of ASEAN, however, the Indonesian Government has been reputed to be nationalistic and protective toward foreign investments.

A foreign investor (pna) [expansion unknown] is required to set up a joint venture with a local firm (pmdn) [expansion unknown] before entering the country, giving at least 20 percent control to a pmdn for the first year and more than 50 percent after 15 years.

It takes sometimes longer than six months to find a pmdn and go through the red tape for government approval. Frequent and abrupt depreciation of the Indonesian rupiah remains another investment risk.

The government has devalued the rupiah 30-40 percent every fourth year, leaving many Chinese firms with handsome exchange gains at the cost of others.

A Korean businessman in Bangkok said his company chose Thailand for fear of the huge extra cost of smooth relations with Indonesian tax-collectors.

Poor social infrastrure is often cited as another nuisance, often forcing new firms and private houses to rely on mail and personal relays for months before telephone lines are installed.

Hyundai plans to develop a microwave communication system of its own to provide telephone service to the industrial complex under construction.

Jakarta, however, has had a more flexible economic policy since 1987, when its resources-dependent economy faced the collapse of oil and gas prices.

"They were really serious when they began to increase incentives for foreign investments," Yi said, pointing to the skeletons of demolished houses near the construction site, torn down to encourage Hyundai's project.

Police promptly intervene in strikes and the government seems still generous with polluting factories, he said.

"Money tells. Indonsia will remain the best investment site for Korea and other newly industrialized economies for the time being," Yi said.

Contract With Indonesia To Buy Natural Gas

SK0805032291 Seoul YONHAP in English 0248 GMT 8 May 91

[Text] Seoul, May 8 (YONHAP)—South Korea has signed a 20-year contract with Indonesia to purchase 2 million tons of liquiefied natural gas (LNG) a year from 1994, while agreeing to jointly mine gold and other minerals, the Energy and Resources Ministry said Wednesday.

The ministry said the two countries also agreed to raise the supply quota for 1992-2007 from 2 million to 2.3 million tons of LNG and trim the import price 8.5 percent to 6.22 U.S. dollars a ton on a free-on-board basis.

The accord, raising Seoul's annual LNG imports from Jakarta to 4.3 million tons in 1994, was reached in an annual meeting of the Korea-Indonesia Resources Cooperation Committee in Jakarta on Monday and Tuesday.

Indonesia told the 12-member Korean delegation, led by Energy and Resources Minister Yi Hui-il, that it wanted Korean firms to participate in the construction of nuclear power plants in Indonesia.

Under a separate deal, the Korea Mining Promotion Corp. is to begin development of gold and other resources in Pacitan, east of Java Island if a 300 million-won (413,800-dollar) joint feasibility study shows it is commercially viable.

The two countries also agreed to develop the Poleng oil well in the Madura mining block by Korea's Kodeco Co. and Indonesia's state-run Pertamina Co. The well is estimated to have reserves of 25 million barrels of crude and 23 billion cubic feet of natural gas.

It was agreed that Korea will transport supply of coal dug from Pasir and LNG from Madura to power plants in Indonesia.

Socialist Nations' Ships Increase Port Calls

SK0705031291 Seoul YONHAP in English 0135 GMT 7 May 91

[Text] Seoul, May 7 (YONHAP)—Ships registered in socialist nations made 686 port calls in South Korea in 1990, up 47.8 percent from a year earlier, the Korea Maritime and Port Administration [KMPA] said Tuesday.

There have been 186 port calls in the first quarter, which compares with 150 in the same period last year, KMPA said.

The surge of socialist-flag vessels visiting Korea was due to brisker trade since the 1988 Seoul Olympics and because Korea has normalized diplomatic relations with the Soviet Union and many other communist nations.

Port calls numbered far below 100 until 1988, jumped to 142 in 1988 and reached 464 in 1989.

Further on Antigovernment Demonstrations, Rallies

SK0505042291 Seoul THE KOREA HERALD in English 5 May 91 pp 1,3

[Text] Antigovernment protests prompted by the clubbing to death by riot police of Seoul college student Kang Kyong-tae flared again yesterday as more than 100,000 students and dissidents took to the streets of Seoul and 20 other major cities.

In Seoul, tens of thousands of people, mostly students staged street demonstration in constant clashes with riot police armed with tear gas guns and water cannons.

The day's protests in the capital city peaked around 9 p.m. when some 40,000 students and dissidents occupied the huge plaza of Seoul Railroad Station and shouted slogans demanding the "ouster of President No Tae-u" and "disbandment of the "Paekkoldan" (Skeleton Corps), riot police squads who pursue and arrest protesters.

They were dispersed by thousands of riot police in about 20 minutes. But protests in groups of hundreds continued late into the night in other areas.

Earlier in the day, about 30,000 students and dissidents seized the roads around the Shinsegae and Lotte department stores in downtown Seoul and chanted antigovernment slogans for an hour till they were broken apart by riot police.

College students and dissidents assembled in three locations—Shinchon, Chongnyangni and Yongdungpo Railroad Station—at 4 p.m. to march toward the Seoul City Hall plaza, their final planned destination. Early in the day, the student activists held separate rallies for launching the massive protest gathering called by the alliance of dissidents formed to deal with Kang's death.

As a mass of riot police blocked the planned march toward City Hall in downtown Seoul, many protesters sneaked through police lines and staged sporadic violent clashes with riot police in several downtown areas.

At one point, protesters overturned and set fire to a police vehicle in front of the Bank of Korea, and briefly occupied boulevards leading to City Hall before being dispersed by the firing of a shower of tear gas by riot police.

About 100 lawmakers and members of the opposition New Democratic Party carried by 50 passenger cars demonstrated by honking their horns.

The protest virtually paralyzed the traffic in many parts of Seoul in the eve of Children's Day, which falls today.

Police mobilized 32,000 riot policemen to quell this year's largest antigovernment protests which erupted simultaneously across the nation.

Unlike previous tactics, riot police appeared to refrain from using police truncheons and fired a barrage of tear gas after issuing warnings to protesters occupying main roads and other key points.

About 100 priests and believers of the Anglican Church Seoul diocese, where the late Chon Se-yong was baptized, began a sit-in protest in front of the Taepyongro police substation across the road from City Hall at 4 p.m.

Chanting, "Disband the (ruling) Democratic Liberal Party and down with President No Tae-u," they continued their protest braving barrages of tear gas before dispersing.

Earlier, the Anglican priests and believers issued a statement urging the government to discontinue what they called "heavy-handed rule" and for younger generations to exercise restraint.

They vowed to "fight until the incumbent government took democratic reforms."

Scores of Christians and Buddhist monks pledged to protest against the police killing of Kang and form an alliance among the religious bodies.

Among the organizations which staged sit-in protests or issued antigovernment statements were the Korean National Literature Association, Chongyojo, or National Federation of Teachers Unions and professors.

In Kwangju, about 10,000 students and dissidents staged street protests late into the night after the police foiled their rally planned on the central section of the city.

In Pusan, an estimated 30,000 people, mostly students, held a street march for about two hours beginning around 7 p.m.

Earlier in the day, some 10,000 protesters occupied trunk roads near Pusan Railroad Station for an hour as their plan to hold a rally was averted by the police.

In a related development, the funeral services for the late Kim Yong-kyon of Andong National University were held at the mortuary of Kyongbuk National University Hospital at 2 p.m., five hours later than planned, because of Andong students' protest.

About 200 students prevented a hearse carrying the late Kim's body from leaving a city-run crematorium in Taegu, requesting that the dead student's family allow a street march and rituals for the dead student.

Kim's parents and the students finally agreed to a 4km-long march from the university hospital to Shinchon-dong, western Taegu.

Chon Se-yong set himself on fire and jumped to his death Friday, adding fuel to the mounting antigovernment protest over the police killing of Kang Kyong-tae.

Chon, a sophomore at Kyungwon University near Seoul, was the third college student to set himself on fire this past week since Kang, a freshman at Myungji University, was bludgeoned to death by riot policemen during a protest in front of his school April 26.

On Thursday, Kim Yong-kyon, 20, died of burns he sustained in his self-immolation attempt one day earlier.

Pak Song-hui, a Chonnam National University student, remained in critical condition at the university hospital in Kwangju after she set herself ablaze in protest Monday.

Hundreds of Kyungwon University students, armed with steel pipes, stood guard around the mortuary of Yonsei University Hospital where Chon's body is kept. Kang's body is also being placed in the morgue.

Chon died of burns at 10:20 p.m. Friday after he moved to the university hospital via two other hospitals.

Disbandment of 'Combat Police' Announced

SK0405075391 Seoul YONHAP in English 0732 GMT 4 May 91

[Text] Seoul, May 4 (YONHAP)—The government in response to public demands that the combat police be disbanded, announced Saturday that regular police will take over their riot control duties.

Dealing with campus demonstrations will be left up to the school authorities, and the police will not enter university precincts except in extreme emergencies under new measures on public assembly and public protection, Home Affairs Minister Yi Sang-yon said.

The government will recruit about 2,000 policemen this year and train them for the purpose, Yi said.

The plainclothed combat police will be reorganized, starting by replacing their white motorcycle helmets and blue jeans with regular police uniforms, and given new duties, he said.

The changes were prompted by the killing of Kang Kyong-tae, a Seoul University student who was clubbed to death by combat policemen April 26 during a street demonstration. The combat police were formed to seek out North Korean infiltrators.

Other changes include revising the law on public assembly to allow peaceful gatherings, and dispersing protesters instead of arresting them, he said.

Current law requires rally organizers to report to authorities 48 hours in advance and may invite arbitrary decisions by the government on deciding whether a protest is legal, Yi admitted. Demonstrations that threaten public security will continue to be strictly prohibited, he said.

Schools will be responsible for preventing on-campus protests and police will enter school grounds only in emergency situations such as cases of arson, destruction of property or kidnapping, Yi said.

Ad Hoc Opposition Coalition Delivers Ultimatum

SK0705032091 Seoul YONHAP in English 0253 GMT 7 May 91

[Text] Seoul, May 7 (YONHAP)—A lull in antigovernment rallies protesting the killing of a Seoul student by the police is likely to end in fury Thursday, the first anniversary of the creation of the ruling Democratic Liberal Party (DLP).

In a news conference Monday, the Joint Countermeasure Committee To Cope With the Death of Kang Kyong-tae, a rough coalition of scores of dissident organizations, vowed that it would launch efforts to oust the government on Thursday unless its demands were met by Wednesday.

Though it is uncertain the committee, a grouping of 53 dissident organizations and the national alliance for student representatives, can use the death of a union leader who plunged to the ground Monday from the roof of a seven-story hospital to fan anti-government sentiment, his death is feared to bring out large numbers of workers to join the protests.

The committee's demands are the resignation of the cabinet, the dissolution of the plainclothed riot police corps, the punishment of ranking security officials for Kang's death, the revision and abolition of "evil laws" and the release of 1,300 "prisoners of conscience."

The prisoner release was added to reflect the voices of member organizations and broaden the united front against the government and DLP.

The committee said the National Alliance of Student Representatives (Chondaehyup), a radical student body, would call a boycott of classes on Thursday, 63 county branches of the National Farmers' Association had resolved to join the anti-government struggle and the National Association of Paupers had decided to mobilize its 20,000 members to join Thursday's rallies.

Dissidents blame the creation of the DLP in a merger of two opposition parties with the ruling party for the "undemocratic practices" of the government, saying this drove students and citizens to distrust politics and to take to the streets.

Under its plan for Thursday, the committee said, rallies to call for disbandment of the DLP and an end to security-oriented rule will be held simultaneously at 6 P.M. in Seoul and major cities across the country.

In Seoul, activist students and dissidents will converge on city hall after separate anti-government rallies, it said.

The rallies on Thursday have a possibility of being even more violent than usual as hardliners are demanding the committee lift its self-imposed ban on the use of fire-bombs, saying rallies Saturday might have been more effective with them.

Though the committee's call for peaceful protest was partly broken by some students, the committee has so far managed to keep it a policy despite internal opposition.

Opposition parties also raised their voices against the government, threatening "street politics" if the government and DLP did not make a sharp turn and listen to their demands, which are not so different from those of the committee.

The splinter Democratic Party called Monday for the cabinet to resign, for the punishment of security officials, for the release of prisoners of conscience and for the plainclothed riot police to be disbanded.

The DLP rejected the demands and the Democratic Party vowed to be on the streets Thursday along with the committee unless the DLP changed its mind.

Kim Tae-chung's New Democratic Party (NDP), Korea's largest opposition party, on Monday reaffirmed that it would hold outdoor rallies "to protest the irregularities of (President) No Tae-u's government" from Saturday if the government and DLP did not take "proper steps" before the end of the National Assembly sitting on Thursday.

The NDP demands are similar to those of the Democratic Party, but Kim put particular emphasis upon the resignation of the cabinet, which he accused of plotting to win the next general elections and stay in power by cracking down on radical students and dissidents in "security-oriented rule."

Monks Urge End to 'Security-Oriented' Rule

SK0805014091 Seoul THE KOREA TIMES in English 8 May 91 p 3

[Text] Joining professors, pastors and Catholic priests mounting protests against the police killing of Kang Kyong-tae, a Myongji University freshman, 257 Buddhist monks and 71 writers in the Pusan area have urged the government to end its "security-oriented" rule which they claimed caused the student's death and the subsequent self-immolation attempts by other students.

The monks affiliated with Haein Buddhist College and seven other Buddhist bodies yesterday issued a statement denouncing the government's high-handed rule based on an "un-democratic" legal system.

Novelist Kim Chong-han, Choe Hae-kun and 69 other writers in the Pusan area huddled at an office of Puminyon, a local dissident group, Monday evening and issued a statement calling for the dissolution of the riot police and independence of police from politics.

Meanwhile, Kyongsilryon or the Citizen's Coalition for Economic Justice urged President No Tae-u to solve the current crisis personally with bold steps at the earliest possible date.

In a statement issued yesterday, the civic group alleged that the current crisis was caused by the government's lack of will to promote social reform and its return to high-handed rule.

As a solution, the citizen's coalition suggested the government should revise evil laws, conduct sweeping economic reform and replace the present Cabinet.

In Kwangju, presidents and deans of 10 higher-learning institutions in the city and Cholla-namdo issued a statement calling for the replacement of the current Cabinet jn a meeting at Chonnam National University yesterday.

The university and college heads also urged students to refrain from committing such radical acts as self-immolation.

Presidents and deans of seven universities and colleges in the Kangwon area also issued a statement calling for students' restraint in a meeting at Kangwon Univerity in Chunchon yesterday.

'Dissident' Commits Suicide at Segong University

SK0805105291 Seoul YONHAP in English 0837 GMT 8 May 91

[Text] Seoul, May 8 (OANA-YONHAP)—A young dissident died Wednesday morning after setting his clothes on fire and leaping from the roof of a building at Sogang University in protest against the police beating death of a Seoul collegian in late April.

Kim Ki-sol, 25, was prounced dead on arrival by doctors at Severance Hospital. He was chief of social affairs with the influential coalition of dissident groups Chominnyon [National Democratic Alliance of Korea].

Kim was the fourth person to attempt self-immolation in less than two weeks of protests against the "brutal killing" of Kang Kyong-tae on April 26. Three have died and one is listed in critical condition. A union leader is also dead after leaping from the roof of a hospital.

Kim plunged 13 meters to the ground after leaping at 8:10 A.M. and was taken to Yonsei University's Severance Hospital at around 8:40.

He died due to third-degree burns over his entire body and an 8-centimeter fracture in his skull, according to the doctor who examined Kim at the hospital.

Kim doused himself with paint thinner, lit it and jumped off the roof of a five-story building of Sogang University, western Seoul, in a ball of flames.

He was shouting "Down with the No (Tae-u) regime," a witness said.

His death is feared to fuel anti-government sentiment on the eve of nationwide rallies Thursday, the first anniversary of the creation of the ruling Democratic Liberal Party.

In a suicide note to his parents Kim said, "I am going to do my last filial duty to my parents, declaring myself the son of my mother nation not just the son of my dear parents."

Wednesday was Parents Day in Korea.

In another note, addressed to the nation, Kim said, "The regime of (President) No Tae-u and the ruling Democratic Liberal Party, which gave us only sorrows and pains, should step down and be disbanded."

A Chominryon official said some of his colleagues had been watching Kim since he revealed his intention to commit suicide on Tuesday night but Kim escaped from them after going out to make a phone call early Wednesday morning.

A high school drop-out, Kim joined Chominryon in December 1990 and was deeply involved in a group formed to protest Kang's death. He was concerned about occupational hazards at a local chemical firm and student self-immolation, according to the police.

Since Kang, a 20-year-old economics freshman at Myongji University, was beaten to death by plainclothed riot policemen during an anti-government rally near his school, the nation has been in turmoil with vehement protest rallies and a flood of statements by professors and clergymen whose demands are zeroing in on No's ouster.

DLP, NDP Agree on TV Coverage of Assembly

SK0505031391 Seoul THE KOREA HERALD in English 5 May 91 p 2

[Text] Despite the current political crisis, the ruling and main opposition parties agreed yesterday to permit live television coverage of parliamentary sessions.

They also decided to establish a subpanel at the National Assembly Steering Committee to work out details of the agreement, said Kim Chong-ho, floor leader of the government party.

The accord came at a meeting of floor leaders of the ruling Democratic Liberal Party [DLP] and the opposition New Democratic Party [NDP].

Kim said he and his NDP counterpart Kim Yong-pae also agreed to set up an ethics committee at the one-house legislature to oversee the conduct of assemblymen.

Recently eight lawmakers have been put behind bars on charges of taking bribes from businessmen.

The two Kims said more standing committees will be in session. They said each standing committee should meet at least once a month.

The two sides, however, failed to narrow their differences about whether the Assembly speaker should be given more power.

New Democratic Union Changes English Name

SK0505020891 Seoul THE KOREA HERALD in English 5 May 91 p 2

[Text] The main opposition party, New Democratic Union, has changed its English name to "New Democratic Party" (NDP), party spokesman Pak Sang-chon said yesterday. Its Korean name, however, remains unchanged, he said.

The change has been made because the word, "party," is widely used in the United States and Britain, Pak said. The word, union, however, is used by many political parties in West European countries, he added.

The NDP was created last month as a result of a merger between Kim Tae-chung's Party for Peace and Democracy and a dissident alliance led by Yi U-chung.

Parties Consult on New National Security Law

SK0805011491 Seoul THE KOREA TIMES in English 8 May 91 p 1

[Text] The ruling party with its eased stand on the tough National Security Law will continue to hammer out an agreed version of amendment to it following the initial negotiation with the opposition party yesterday.

Emerging from the talks, ruling Democratic Liberal Party chief policymaker Na Ung-pae said there was "considerable" progress while his counterpart Cho Se-hyong was a bit pessimistic.

Na threatened that his party will railroad its own version of amendment to the law during the current House session ending tomorrow if there is no compromise.

The opposition New Democratic Party [NDP] seems to feel not so bad even if it is railroaded unilaterally by the ruling party on the strength of its majority force, mindful of expected criticism from dissident forces if it gave its consent.

Na asked Cho to consent with the draft revision of the tough law, adding that it cannot make further concession.

Under the revision bill, the failure to report illegal entries into or exits from enemy countries, pinpointedly North Korea, will no longer be a crime.

The revision bill also provides that the acts of praising, receipt from or supply of funds to, and communication with enemy countries will constitute a crime if they are done "knowingly" to endanger the existence of the state and the fundamental democratic order.

This position—delineating the criteria of security crimes more clearly—fits in with a ruling of the Constitutional Court.

In the present provisions of the National Assembly Law, such acts are criminal if committed for the purpose of "benefiting" enemies.

Meanwhile, the NDP demands the complete decriminalization of failures to comply with the "reporting" obligations.

A considerable number of convicts under the stern law, usually reserved for espionage activities for North Korea, are the violators of the obligation of reporting.

NDP president Kim Tae-chung, Rep. Mun Tong-hwan, Rep. Kim Won-ki, and Rep. Yi Chol-yong are booked for not reporting to concerned authorities on the unauthorized visit to North Korea by So Kyong-won although they allegedly knew of the plan.

The amendment bill is aimed at relaxing the tough National Security Law in step with situational change in relations with North Korea.

The ruling camp hurriedly drafted the revision bill in a tense debate between the leaders of the party and the administration Monday night, prompted by tense situation caused by the fatal beating of a student demonstrator by police together with growing criticism of the political quarters for their inability.

At the start of the current Assembly three years ago, when it was dominated by opposition parties, National Security Law, Law of the Agency for National Security Planning, and the Police Law were agreed to be rewritten to ensure smooth implementation of genuine democracy.

However, the revision of the laws has not been effectuated for lack of intent of the aggrandized present ruling party, a product of the merger of three parties in February last year.

As to the enactment of the Police Law to ensure police neutrality, the NDP demanded that presidential appointees for the seven-man committee should be approved by the National Assembly. The committee is to oversee the management and operation of police force.

Talks on Security Law Collapse

SK0805032591 Seoul YONHAP in English 0233 GMT 8 May 91

[Text] Seoul, May 8 (YONHAP)—Since bipartisan talks on revision of the National Security Law and other controversial bills virtually collapsed Tuesday night, negotiated passage of the "reform" laws appears impossible during the current National Assembly session.

The collapse also forebodes a confrontation between the ruling Democratic Liberal Party (DLP) and the main opposition New Democratic Party [NDP], with the opposition camp bracing for the DLP railroading the bills through the Assembly.

"The differences between the two parties' proposals were too immense, and it has just become impossible to find ground for compromise in our negotiations," Ra Ung-pae, chief DLP policy maker, said after marathon talks between DLP and NDP floor leaders and members of the joint policy committee broke down late Tuesday.

"The government and the ruling party tried to sneak the National Security Law bill past the judiciary-legislation committee while negotiations were still going on," NDP spokesman Pak Sang-chon said.

"Negotiation is a farce, a stage performance just put on for the public to see," he said Wednesday morning in a television interview. "The NDP will block any attempt at railroading with fullest efforts."

The failure virtually spoils a three-year debate on reforms of three laws concerning anti-state activities and the role of the police—the national security, police and agency for National Security Planning (NSP) laws. The DLP says it would not seek to pass the NSP law in this Assembly session that ends Thursday.

The reforms were proposed at the beginning of the current National Assembly, when the opposition had a majority.

The two parties cannot compromise on whether people should be obliged to report violations of the controversial National Security Law, which strictly prohibits visiting or praising "the enemy state," meaning North Korea.

The NDP wants "obligatory reporting" to be scrapped.

The ruling and opposition camps are also at odds over the nomination procedure for members of a proposed council to guarantee police neutrality.

The prosecution, meanwhile, vehemently opposes any major revision of the National Security Law, charging that the ongoing negotiations are political strategies that are "unacceptable for maintaining national security."

The security division of the Prosecutor General's Office rushed out a report late Tuesday warning against unilateral changes in South Korea while North Koreans are yet to make attitude changes.

"North Korea still designates South Korea antistate, as an enemy, and no changes are detected in its policy of national unification through aggression," the report said.

"There are still revolutionary forces infiltrating every sector of our country, and considering these realities, the DLP's proposed reforms are filled with serious flaws."

Use of Reserve Conscripts in Industry Planned

SK0705030091 Seoul YONHAP in English 0129 GMT 7 May 91

[Text] Seoul, May 7 (YONHAP)—More than 10,000 reserve conscripts a year will substitute their military service for years of work in industry, starting in September, under a plan prepared by the defense, trade and industry, economic planning and related ministries.

Manpower relocation will begin in September with an annual 10,000 to 15,000 recruits to fill vacancies in the country's manufacturing and other industries.

A recent labor ministry report said South Korean industry had a shortage of 192,000 workers last year, 150,000 of them in the manufacturing sector and 4,000 in mining.

Manpower relocation was used in the past on a smaller scale, affecting about 4,000 men a year who had to apply by March 31.

Officials said the government will start out with at most 15,000 reserve conscripts a year, but may increase the number, depending on the success of the plan.

Men will be picked from among 150,000 to 160,000 people called up as reserve conscripts. Those who want to fulfill their compulsory military service in industry must file an application five days before they report for reserve duty.

Those selected will undergo four weeks of military training and six months or longer of work training before they are assigned a job, according to the officials. Training for jobs in areas such as construction will be for three months.

Selected soldier-workers will exchange 18 months of military obligation for five years of work, during which they will be paid by the company. They will be barred from joining a union during the period.

The government will revise the law to expand the areas of work open to these soldier-workers, officials said.

Further Details of Plan Noted

SK0705095691 Seoul YONHAP in English 0856 GMT 7 May 91

[By Yi Tong-min]

[Text] Seoul, May 7 (YONHAP)—The government's decision to put up to 15,000 military reservists a year to work in factories attests to the seriousness of the country's manpower shortage, and to the government's resolve to do something about the problem quickly.

Even a quick glimpse of the government plan, worked out in months of discussion between the trade and industry, defense and economic planning ministries, shows the details were settled after careful consideration for the right allurement.

On a strictly voluntary basis, young men who are called up to do their national service as reserve conscripts, some 150,000 to 160,000 every year, can now choose either to serve 18 months in the military or spend five years working in industry.

The conscripts can choose the company and the job, all they need to do is file an application with the office of manpower administration five days before they enter the reserves.

Military training will be shortened from six weeks to four for the soldier-workers, and if they do not have a licensed skill they can go through approximately six months training to get a license.

If they fail, they get a second chance. After the Labor Ministry eases qualifications for the licenses, almost everyone will pass first time, officials say.

The law prohibits these soldier-workers from being paid less than other workers, so the only notable difference between them and their shopfloor colleagues will be that the reservists cannot join a union. The penalty for violating this rule will be immediate dismissal and an 18-month tour as a reserve conscript.

The soldiers can elect to stay in their job after the five years are up.

Why go to such lengths as to virtually lead young men by the hand into factories? Because a Labor Ministry report shows a threatening rise in manpower shortages and a none too bright vision of the future.

The report, released in January on the 1990 workforce, shows Korea lacks 192,055 workers, 165,852 of them in the manufacturing sector. While the average shortage was 4.34 percent, the rate on production lines was 6.85 percent.

Even more alarming was that the shortages were increasing every year, from 4.79 percent in 1987 to 5.24 percent in 1988, down temporarily to 4.92 percent in 1989, and jumping to 6.85 percent last year.

The figures were released when the chief economic planners said one of their key objectives for the year was raising industrial competitiveness to improve the dismal trade outlook.

Labor analysts have long accused workers of seeking the easy life, shunning factory jobs and hard labor for less strenuous work in the rapidly expanding service sector.

Government officials, as they drew up the plan to merge the military with the industry, were hoping that they could somehow change this trend. As Korea has national service, allocating the burgeoning soldier population to the waning sector was the best solution, they decided.

Earlier reports said the government was considering going as far as forcing all reserve conscripts in excess of a quota to work in industry.

The only remaining question is how Korea's young men will respond. Five years is certainly not a short time for a college student or new graduate, as most conscripts are, to set aside. Job training and placement may not be enough to persuade people not to sign up for the 18-month military option.

The solution may prove only temporary as Korean baby-boomers are greying and in the baby-bust era there may not be the current abundance of young men.

While the solution is timely, the government will most likely have to find a more permanent answer.

Foreign Exchange Forward Trading To Be Allowed

SK0505041691 Seoul THE KOREA TIMES in English 5 May 91 p 10

[Text] Korea will introduce the inter-bank foreign exchange forward trading from Monday in a move to activate the foreign currency market.

The Korea Financial Telecommunications & Clearing Institute—the nation's clearing agency funded by banks—will handle won-dollar foreign exchange forward dealings with maturity ranging from one-day to one-year.

A total of 87 financial institutions will be able to trade foreign currency forward trading through the clearing center.

The foreign currency forward trading is an agreement to buy and sell specific currencies at a pre-determined price at an agreed-upon date.

The maturities of the foreign currency forward trading are divided into 13 types—one-day, two-days, three-days, four-days, five-days and six-days, one-week, two-weeks, one-month, two-months, three-months, six-months and one-year.

Until now, the clearing institute handled only one-day won-dollar forward dealings.

Despite such a move, bankers and currency dealers said they would stay away from striking foreign currency forward dealings through the clearing center. They said it may take time for banks to trade foreign currency forward trading through the institute. They said they prefer over-the-counter (OTC) forward dealings to dealing their currency forward dealings through the clearing institute.

In a country where interest rates and foreign exchange rates are strictly controlled, it is difficult to see an active foreign currency forward market, a foreign banker said.

The announcement made, however, Korea move one-step closer toward fostering what many dealers said the backward foreign currency market. [sentence as published]

Later, won-yen, won-mark and won-pound forward tradings will be available through the clearing institute, analysts said.

Last week, the clearing institute announced that it would add pound and mark to the short-term call market—a move dealers have hailed as one of encouraging signs that Korea is committed toward a gradual development of the foreign exchange market. Won-dollar and won-yen call market dealings have been available.

New Tariffs Planned for Import Liberalization

SK0605012191 Seoul YONHAP in English 0052 GMT 6 May 91

[Text] Seoul, May 6 (YONHAP)—The Finance Ministry plans to take advantage of sliding and seasonal tariffs in preparing for the conclusion of the Uruguay Round talks and liberalization of agricultural imports next year, Ministry officials said Monday.

Sliding tariffs should protect domestic prices from being disturbed by international prices. A basic duty is charged on goods that are imported at below a standard price, and the rate is lowered by stages as import prices rise, the officials said.

Seasonal tariffs protect producers by raising rates within a limit of 40 percentage points at certain times of year, and then lowering them at other times, to coincide with seasonal demand.

The two tariffs are already on the books, but the government has never used them because most agricultural imports are restricted and it was thought they would be largely ineffective.

The need for them has emerged now, they say, because 131 of the 273 agricultural imports currently restricted will be liberalized between 1992 and 1994, and the remaining 142 will be liberalized between 1995 and 1997 under the government timetable.

For this reason, the Finance Ministry will make use of the two tariffs when the Agricultural, Forestry and Fisheries Ministry asks for their implementation.

Science, Technology Development Plan Unveiled

SK0705095891 Seoul YONHAP in English 0831 GMT 7 May 91

[Text] Seoul, May 7 (YONHAP)—The government unveiled plans Tuesday for concentrated development in seven fields of science and technology to make the country one of the world's top seven technologically advanced nations by the year 2000.

The seven are information and telecommunications industry: new substances, new materials and bioengineering: ocean, aviation and space industry: environmental protection: transportation science: nuclear technology: and basic science.

The Science and Technology Ministry said its plan was the follow-up to President No Tae-u's "declaration for science and technology policy" on April 30.

In the information and telecommunications sector, the Ministry said, it will actively develop high-capacity computers, artificial intelligence and automatic production of software.

It hopes to develop 16 mega and 64 mega dynamic random access memory (dram) chips by 1993 and start work on 256 mega and 1 giga dram chips next year.

In the communications field, the Ministry will support the development of an integrated data network service, a communications satellite and portable telephones.

The plan envisages development of two to three new substances for medicine or agriculture by 1993 and 10 new substances by 2000.

To develop ocean technology, the Ministry will study the resources and environment in coastal and adjacent seas, develop under water mineral resources and seek ways to utilize marine energy.

Projects for aviation technology include development of core technology for a five-seat multiple-purpose aircraft by 1993 and production of 20- to 30-seat plane by 2000.

Development of rockets and satellites for commercial use by 2000 is contained in the space technology development plan.

High technologies for the protection of environment will also be developed, and an ultra-speed linear tracking train model is one of the goals of the transportation technology development projects.

In addition, the ministry will support the development of a next-generation atomic reactor and the technology for handling nuclear fuel.

To promote basic science and technology, the Ministry will boost the Korea science foundation fund from 51.7 billion won (71.3 million U.S. dollars) to 500 billion won by 1996.

Nuclear Power Plant Closes To Repair Reactors

SK0505032491 Seoul THE KOREA HERALD in English 5 May 91 p 3

[Text] KORI—Korea's Kori Atomic Power Plant authorities said yesterday they have suspended the operation of four atomic reactors as they need repairing.

A spokesman for the Kori Atomic Power Plant said, "we have just discovered defects in No. 1 and reactor No. 3 and have temporarily halted their operation."

Four reactors are installed in the Kori station, which is located near Pusan, the second largest Korean city on the southeast coast.

The other two reactors are already under repair.

"It is likely to take about 1-10 weeks to complete repair work on all four reactors so that they can return to normal operation," he said.

This is the first total suspension of operation of the Kori nuclear power plant since it started operation in April 1978. (Yonhap)

Brunei, Malaysia & Singapore

Malaysia

Efforts To Improve Australian Ties Reported

BK0105140291 Kuala Lumpur Domestic Service in English 1330 GMT 1 May 91

[Text] The Malaysian Government is ready to discuss outstanding problems with Australia in efforts to strengthen bilateral relations. The foreign minister, Datuk Abdullah Badawi, says a meeting is being arranged between Prime Minister Datuk Sri Dr. Mahathir Mohamed and his Australian counterpart Mr. Robert Hawke in London in June.

He said the June meeting will provide an opportunity for both prime ministers to thrash out problems and restore the excellent relations that existed between the two countries. Datuk Badawi said Malaysia always aspires to have good relations with any country as such relations will contribute to the nation's progress. He also said that Malaysia had [not] yet reopened its embassy premises in Baghdad. He said the office will be reopened when the situation in Iraq returns to normal and all communications systems were functioning smoothly. Datuk Abdullah Badawi said Malaysia had already reopened its diplomatic office in Kuwait and Malaysian diplomatic staffs were already in Kuwait City.

Finance Minister Speaks at Asian Bank Meeting

BK2604070191 Kuala Lumpur International Service in English 0600 GMT 26 Apr 91

[Text] Malaysia's initiative to form the East Asia Economic Grouping, EAEG, should be seen in the spirit of helping to increase international trade activities. Finance Minister Datuk Sri Anwar Ibrahim said the EAEG was not intended to be a trade bloc but meant to benefit world trade rather than stifle it. Datuk Sri Anwar told the Asian Development Bank, ADB, general meeting in Vancouver, Canada that Malaysia believes that the creation of appropriate cooperative structures and institutional frameworks toward greater economic linkages would benefit all countries.

Minister on East Asian Economic Grouping Issue

BK0105122491 Kuala Lumpur International Service in English 0600 GMT 1 May 91

[Text] Finance Minister Datuk Sri Anwar Ibrahim says Japan will not opt out of the Malaysian proposal for an East Asian economic grouping, EAEG, if it eventually receives the support of many countries. Datuk Sri Anwar was speaking to Malaysian journalists in Washington.

In a meeting with a senior State Department official on Monday, he explained that the EAEG is a (?new venture) to protect the region and a diluted version of the North American free trade agreement. The minister told State Department Counselor Robert Zoellick that ASEAN countries also remained supportive of the Asia-Pacific economic cooperation which includes the United States.

Debt Write-Off of Debtor Countries Discussed

BK0105151491 Kuala Lumpur International Service in English 0800 GMT 1 May 91

[Text] Malaysia has asked that debt write-off by multilateral financial institutions should be based on economic consideration rather than political interests. Finance Minister Datuk Sri Anwar Ibrahim said countries like Malaysia which prefers to (?prepay) its debts tend to perceive that it is treated badly by such lenders. He said Malaysia is being asked to keep on paying while debts are written off for those countries which do not pay.

The minister was speaking to reporters in Washington at the end of a meeting of the World Bank and the International Monetary Fund. He said (?creditor) nations should develop a transparent framework of debt release based on the economic needs and policies of borrowing countries rather than their strategic importance.

Commentary: EAEG May Become Reality Soon

BK0305150591 Kuala Lumpur International Service in English 0800 GMT 3 May 91

[Station Commentary]

[Text] There are encouraging signs that the Malaysian mooted proposal for the formation of the East Asia Economic Grouping, EAEG, may become a reality in the near future.

Finance Minister Datuk Sri Anwar Ibrahim, who has just returned from meetings of the Asian Development Bank, the World Bank, and the International Monetary Fund in Vancouver and Washington, noted that his counterparts in those institutions gave an encouraging response and expressed enthusiasm by seeking more details of the proposed grouping.

Japanese Prime MInister Mr. Toshiki Kaifu, on his official visit to Malaysia last weekend, said after talks with his Malaysian counterpart Dr. Mahathir Mohamed, that Japan agreed in principle to the formation of EAEG.

If EAEG is to be truly effective the presence of Japan in the grouping is vital. This is naturally so because Japan is acknowledged as one of the world's major industrial and economic superpowers. And more so because it can serve as an important link between the East Asian countries and the industrialized nations of the west. Nevertheless, we can understand that she has to adopt the wait-and-see attitude until she is fully clear of the intentions and objectives of the EAEG concept.

Following the temporary halt in the Uruguay Rounds of multinational trade negotiations on the General Agreement on Tariffs and Trade, GATT, Mr. Kaifu showed a keenness in listening to Dr. Mahathir's explanation of the EAEG concept. The talks proved useful in that the Japanese Prime Minister had a better understanding of the proposal. He gave Japan's commitment to follow closely further development, especially within the ASEAN region.

The ASEAN senior officials meeting to discuss the EAEG proposal will be held in Kuala Lumpur on May 11 and 12.

Malaysia will outline the concept and explain the rationale behind the formation of EAEG.

The Ministry of International Trade and Industry is currently preparing a working paper which will contain the salient features of the EAEG concept.

So far Singapore has given a firm support for the proposal and the prime minister, Mr. Goh Chok Tong, was sincere in his attempt to convince his Japanese counterpart during talks this week about the viability of the grouping.

It is crucial that all ASEAN members are in agreement with the proposal because it has to be an ASEAN initiative. Such an agreement is necessary in order to enable the world, especially the developed nations, to understand the concept in its entirety.

It has to be understood that the EAEG is not intended to be a trade bloc. It's basic object is to work for the enhancement of a free world trading system. It will not work like the oncoming Single European Market or the North American Free Trade Bloc. The developing countries have reason to be concerned over protectionist tendencies that may be adopted by those economic groupings. Also there is a fear that possible clashes between those blocs may affect countries in this part of the world, particularly those that depend on the countries of those regions for their markets.

The EAEG if and when it is established will be able to present the bills of member countries collectively and effectively. It is to be hoped that all nations that strive for free global trade will realize and acknowledge the rationale behind the EAEG concept.

Foreign Policy Said Domestic Policy Extension

BK0405140891 Kuala Lumpur Domestic Service in English 1330 GMT 4 May 91

[Text] Malaysia need not have to look up to any country or world power in the conduct of its foreign relations. Foreign Minister Datuk Abdullah Badawi said in Kulai, Johor, as an independent and sovereign nation, the country need not have to follow what others are doing. He said Malaysia's foreign policy is an extension of the country's domestic policy which is aimed at achieving national development objectives. He urged the people to support government policies as these had been drawn up to serve their interests.

Datuk Abdullah, who is also UMNO [United Malays National Organization] vice president, urged party members to remain united to ensure the continued strength of the party.

Barisan Nasional Member Wins Bayu By-Election

BK0405155391 Kuala Lumpur Domestic Service in Malay 1430 GMT 4 May 91

[Excerpt] Barisan Nasional has retained the Kedah State Legislative Assembly seat for Bayu constituency in a by-election held today. Barisan Nasional candidate Mohamed Sibi Ahmad defeated PAS [Pan-Malaysian Islamic Party] candidate Haji Mohamad Yusof Ismail by a majority of 3,592 votes when he obtained 9,545 votes. Haji Mohamed Yusoff obtained 5,953 votes. The voter turnout was gauged at 75.3 percent, while 153 votes were spoiled.

The by-election was held following the death on 8 March of Barisan Nasional Assemblyman Datuk Seroji Harun. [passage omitted]

Muslim Youths Concerned Over Israeli Goods

BK0205141291 Kuala Lumpur Domestic Service in English 1330 GMT 2 May 91

[Text] The Malaysian Islamic Youths Movement, ABIM, called on the government to take firm action against companies or individuals involved in bringing in Israeli or South African goods into the country.

Its secretary-general, Mohamed Anwar Tahir, said in a statement that ABIM viewed with concern the exposure by the Customs and Excise Department of Israeli goods having been brought into the country by companies in Pulau Pinang. He said the government should act firmly against the entry of goods from countries whose exports to Malalysia were prohibited. Enchik [Mr.] Mohamed Anwar said the entry of Israeli goods into a country which supports the Palestinian cause should not be regarded as a small matter but a serious challenge.

A total of 23,680 electro components valued at 171,930 ringgit imported from Israel were seized in a raid by the preventive branch of the Customs Department, unaccompanied at the Bayan Lepas free trade zone last Saturday. Goods from Israel and South Africa are banned in Malaysia.

Board Chief Assures Demand for Tropical Timber

BK0605104491 Kuala Lumpur BERNAMA in English 0802 GMT 6 May 91

[Text] Kuala Lumpur, May 6 (OANA-BERNAMA)—Demand for tropical timber and its products in view of the decline in availability of forest resources in most major producing countries and the improved economic well-being of developing countries, Malaysian Timber Industry Board director-general Baharuddin Haji Ghazli said today. [sentence as received]

In the keynote address on "industry overview and outlook for 1990s" to the MTIB [Malaysian Timber Industry Board] marketing seminar here, he added, however, that the opportunity for expansion of trade was mainly in processed products.

Baharuddin said the actual challenge was more in adapting the level and scale of the industries to the long-term availability of resources than the market itself. Our future strength lies in the ability of the industry to rationalise production with raw materiel supply in meeting market needs of the day." [no open quote as received]

In calling for greater co-ordination, especially government-industry [word indistinct], followed by integration of ideas and plans among all sectors of the industry, he said: "One example is to make a concerted effort to combat the current anti-tropical hardwood campaigns being waged in a number of importing countries."

He anticipated that world demand for timber was expected to increase by around 1.3 percent per annum between 1987 and the year 2000 while demand for logs was expected to rise by about 1.1 percent annually over the same period.

The pattern of demend, he said, would be different between the developing and the industrial countries for the developing countries, he foresees increasing demand for logs while in the industrial countries the demand would be in favour of processed timber.

"Given their better economic growth prospects for a faster growth rate in sawnwood demand is also expected from the developing countries," he added.

He was confident that with the continuing strength of Japan's economy, that country's demand for hardwood would increase over a long term but he expected a shift away from logs towards processed timber such as plywood, sawntimber and mouldings, coupled with offshore investments in these industries from Japan as well as other countries like Taiwan and South Korea.

Increasing competition from low-cost producers such as Indonesia and Malaysia would make the two countries the major target for such offshore investments, he said.

Noting that Japan is the biggest consumer of tropical wood, Baharuddin said the regional flows in log trade today were from Southeast Asia to Japan.

However, he added, recently Japan had been buying increasing quantities of logs from Africa, mainly from Gabon (215,900 cubic metres in 1987 compared with 48,000 cubic metres the previous year) in order to support the immediate needs of its existing plywood industries.

Anticipating a demand growth in the rest of [word indistinct], Baharuddin said demand for logs would continue to grow at a rate os 2.5 percent per annum and for sawntimber at 1.8 percent annually.

About 100 participants are attending the two-day seminar on market opportunities in the post-Gulf war environment, organised by the MTIB.

Singapore

Lee Hsien Loong Leads Delegation to PRC

BK0205145891 Singapore THE STRAITS TIMES in English 1 May 91 p 1

[By Sunny Goh]

[Excerpt] A delegation of 27 senior Government officials and business leaders will accompany Deputy Prime Minister Lee Hsien Loong on his two week official visit to China, which begins tomorrow.

The Government-led contingent will be the biggest-ever to go to China since diplomatic ties were established between the two countries last October.

The mission: To identify areas of co-operation, explore business opportunities and introduce Singapore's top brass to their Chinese counterparts.

The trip also marks the first by Brigadier-General [BG] Lee in his capacity as Deputy Prime Minister.

He was last in Beijing in 1985 as the Minister of State for Trade and Industry and Defence.

At a dinner hosted by Chinese Ambassador Zhang Qing here on Monday to bid farewell to the delegation, BG Lee said that Singapore's interest was in promoting good, long-term relations with China, adding:

"We are interested not only in economic ties and a set of broad relations, but also in China's constructive contribution to the development of the region."

The Deputy Prime Minister said that a successful China—economically vibrant and politically stable—can be a tremendous boost to the economic development of many countries in the region.

He said that his team was keen on identifying and establishing new areas of economic co-operation, and hoped to receive "useful ideas and useful propositions".

The minister will be accompanied by Minister of State (National Development and Home Affairs) Peter Sung, Ambassador to Japan Cheng Tong Fatt, and four MPs [Members of Parliament], Mr Chiam See Tong, Mr Heng Chiang Meng, Mr Peh Chin Hua and Mr Ng Pock Too, who is also the Group Chief executive of the Sembawang Group of companies. [passage omitted]

Visiting British Minister on Asia's Security

BK0405115191 Singapore THE STRAITS TIMES in English 3 May 91 p 28

[Text] How regional security problems in the East ought to be worked out is not for the British or the West to prescribe, said visiting British Minister Lord Caithness yesterday.

He noted that, with the changing relationships between alies and adversaries throughout the world, there were pressures in this region for a dialogue similar to the one on security issues in Europe.

"But, I have to say that I have some doubts as to whether the European model is really the best basis on which to proceed in this region. The parallels are not exact," said the British Minister of State in the Foreign and Commonwealth Office.

He suggested that while dialogue on security in Europe had proceeded along a clear ideological fault line, this was not at all the case in Asia.

"Here, outstanding security problems are too diverse to group under one umbrella," he said, without elaborating.

Although Lord Caithness did not mention it by name, he was clearly referring to the 35-nation Conference on Security and Co-operation in Europe (CSCE).

Soviet President Mikhail Gorbachev has proposed a similar model to resolve disputes in Asia.

Lord Caithness, whose special responsibility is Southeast and East Asia, made these points in a speech to his audience comprising some 60 members of the British Business Association and the Singapore Foreign Correspondents' Association at Hyatt Regency Hotel.

The minister of state is here on a two-day official visit which began yesterday.

Today, he will call on Brigadier-General (Release as is) George Yeo, the Senior Minister of State for Foreign Affairs and Acting Minister for Information and the Arts.

In his talk focusing on the New International Order, he spoke of the recent dramatic changes which had taken place in the global political scene.

The experience of the recent Gulf war was one such example of a dramatic event which gave the United Nations a renewed vigour and authority in providing stability in a turbulent world, he said.

Elsewhere, as in Central and Eastern Europe, he noted that there was continuous reform and that the pessimists had so far been proved "totally, heart-warmingly wrong".

But he made it clear that it was not in the interests of Europe or of the West to see the Soviet Union splintering into many republics.

Touching on Asian matters, he singled out Britain's "residual responsibility" for Hong Kong. The British were doing their best for the colony, and there was no sensible alternative to the 1984 agreement between Britain and China on Hong Kong's future status, he said.

On economic ties with this region, he said that the British were giving the Pacific Rim high priority and had identified Singapore as market with great potential.

During his visit here, Lord Caithness will meet officials of the Economic Development Board, the Urban Redevelopment Authority and the Port of Singapore Authority.

Government To Help ASEAN Protect Environment

OW0605041591 Tokyo KYODO in English 0308 GMT 6 May 91

[Text] Singapore, May 6 KYODO—Japan will cooperate with Singapore in helping ASEAN countries overcome environmental problems, the Director General of the Japan Environment Agency said Sunday.

After talks with Singapore Environment Minister Amad Mattar, Japan's Kazuo Aichi said they had "discussed quite extensively on the need to raise the level of recognition of the importance of environmental problems in developing countries."

They also discussed "how best Singapore and Japan could cooperate in facilitating this process," Aichi said at a press conference.

Aichi, who visited Indonesia and China just before coming to Singapore, said Japan will try to help ASEAN countries overcome environmental problems by offering not only technical expertise but also personnel.

ASEAN, the Association of Southeast Asian Nations, groups Indonesia, Malaysia, Singapore, Thailand, Brunei and the Philippines.

Aichi noted that Singapore, which has made tremendous efforts to overcome its environmental problems, could play a major role in helping the other ASEAN countries solve their environmental problems.

Aichi said Japan has committed about 300 billion yen in overseas development assistance to help developing countries protect their environments from 1989 to 1991.

He said, however, that "requests for assistance are not really forthcoming" from developing countries.

"It is crucially important that high priority should be attached to environmental protection in those countries," he said.

"Of particular importance is convincing these developing countries that environmental protection and economic growth are compatible."

Aichi said that while visiting a tropical rainforest in east Kalimantan on Borneo Island, he saw the problems of deforestation, which he said could have been caused by forest fires, shifting cultivation and logging by Japanese companies.

He said he was also "deeply shocked" by the level of air pollution in Jakarta created by exhaust fumes from motor vehicles.

In a joint statement issued by Aichi and his Singapore counterpart at the end of their talks, both sides "emphasized the important roles that Japan and Singapore could, and should play in the Asia-Pacific region."

Singapore's Environment Ministry recently signed a memorandum of understanding for technical cooperation with Mitsubishi Corp. which will enable Singapore to combine its experience in tropical urban environment management with Japan's technology to help regional environmental protection.

Aichi's six member delegation returns to Tokyo on Sunday night.

Cambodia

UN Military Mission To Monitor Cease-Fire

BK0805084191 Phnom Penh SPK in French 0444 GMT 8 May 91

[Text] Phnom Penh 8 May (SPK)—UN Secretary General Javier Perez de Cuellar and the cochairmen of the Paris conference on Cambodia—France and Indonesia—have decided to send a military mission to the region, UN Spokesman Francois Giuliani confirmed.

The team, which will be headed by Ghanaian General Timothy Dibuama, military adviser to the UN secretary general, will be made up of French Colonel Castagnet-Cazalis and Indonesian Colonel Sutarto, the spokesman added.

The statement underlines that the secretary general, France, and Indonesia consider the implementation of the recent most important decision on a temporary hostility cessation a symbolic engagement by the Cambodian parties to achieve a positive result at the meeting scheduled for June in Jakarta.

The UN military mission will arrive to Thailand on 11 May, then it will leave for Cambodia on 14 May for discussing the implementation of the cease-fire, which came into force since 1 May, and truce-violation grievances.

The Supreme National Council [SNC], the sovereign representative of Cambodia, will meet on 2-4 June in Jakarta. The SNC has only met twice since its creation last year. It is composed of six members representing the State of Cambodia and two members from each of the three opposition factions.

Three UN technical missions came to Cambodia in April and May 1990.

The third team conducted a fact-finding study on geographical situation, including railway lines, so as to eventually deploy UN troops after the signing of an accord putting a conclusion to the conflict.

Prime Minister Hun Sen on Saturday [4 May] called for an international monitoring of the temporary cease-fire, which came into effect on 1 May.

In the meantime, the three opposition factions, taking advantage of the opportunity, intensified their attacks in some regions, in particular in northwestern Cambodia.

"I propose that the voluntary cease-fire be immediately implemented in the presence of observers from an neutral country and with the accord of both parties," said Hun Sen in a letter to UN Secretary General Javier Perez de Cuellar and France and Indonesia, cochairmen of the Paris International Conference on Cambodia.

SPK: Opposition Continues To Violate Cease-Fire

BK0805064891 Phnom Penh SPK in English 0508 GMT 8 May 91

[Text] Phnom Penh SPK May 8—The Khmer tripartite groups have continued attacking the government forces in the northwestern provinces of Battambang and Siem Reap.

On May 3, the coalition troops fired 10 shells of 75-mm recoilless-gun on a government position, one kilometer southwest of Bavel, Battambang Province. The following day, they pounded the government armed forces at Prey Thom Hill and on an area, 17 km north of Pang Roloem with 2,000 artillery rounds. Troops of the Pol Pot Divisions 320 and 415 are massing and pouring into Phnom Damrei, Sala Krau, and Pailin regions, same province.

Also in Battambang Province, the Polpotists on May 5 attacked the government forces in areas southwest of Bavel and southeast of Kamrieng.

In Siem Reap Province, three enemy truckloads of munitions together with two artillery pieces were sent to an area, 16 km northeast of Chikreng District.

Further on Violations

BK0805065491 Phnom Penh SPK in French 0434 GMT 8 May 91

[Text] Phnom Penh 8 May (SPK)—The Cambodian opposition factions have continued to encroach upon the cease-fire accepted by them.

Since the truce came into effect on 1 May, the Polpotist troops have day after day fired about a hundred artillery shells from the following areas: west of Pang Roloem, Phnum Veng, and Pailin of Battambang Province, onto several positions of the State of Cambodia, particularly those situated north of national Route 10. On 4 May, 80 shells from 130-mm and 82-mm cannons were reportedly fired by polpotist troops on areas located 5 km southeast of Pang Roloem and 4 km northwest of Treng in the same province.

On 3 May, Polpotist elements, in cooperation with Sihanouk's and Son Sann's troops, launched attacks against government forces in the areas of the 3-8 km stretch north of Srei Snam District, and of the 5-8 km stretch southeast and northeast of Namtao, Siem Reap-Oddar Meanchey Province. The also fired H-107 rockets on a position 7 km southeast of Samraong District, and planted mines on a stretch of a route in the region No. 86.15, northeast of Sot Nikum District of Siem Reap-Oddar Meanchey Province.

On the same day, Son Sann's troops plundered Ta Tho Village, Banteay Meanchey Province.

In Kompong Som City, 20 Polpotist soldiers attacked militia forces in Andong Thmar Commune, Prey Nop District, wounding many people among the civilian population.

On 4 May, the Polpotist troops from Division 616 attacked region No. 45.433 and 433.63, 16 km northeast of Stoung District [Kompong Thom Province].

Moreover, on 5 May, 300 troops from the Polpotist 785th division infiltrated Khvav and Pongro Leu Communes and Kambor Village in Siem Reap-Oddar Meanchey Province, while elements from the Polpotist 980th division infiltrated Khvav Commune and planted mines at two bridges in Sot Nikum District of Siem Reap Province.

Sihanouk Group Agrees to UN Monitoring

BK0805004191 Bangkok THE NATION in English 8 May 91 p A2

[Text] A non-communist Cambodian resistance group said yesterday it had no objection to a plan to dispatch United Nations military officials to monitor the voluntary cease-fire between the warring Cambodian factions.

Khieu Rithrasmey, the spokesman of the group loyal to Prince Norodom Sihanouk, said UN special envoy Rafiuddin Ahmed contacted the group's headquarters in Bangkok from New York yesterday to say that the UN would send a three-man military team to the Thai- Cambodian border to monitor the ceasefire. The team is scheduled to arrive here today.

"We have no objection to the UN move since we have already abided by the call made by the UN secretary general for a voluntary ceasefire," Khieu said.

He said he was also informed by the other non-communist resistance group, the Khmer People's National Liberation Front, that it also supports the UN dispatch.

The plea for the UN monitoring team was made by the Phnom Penh government last week, after the conflicting Cambodian factions began a ceasefire on May 1.

Political Department Reports on Truce Violations

BK0705140891 Phnom Penh Domestic Service in Cambodian 1200 GMT 7 May 91

[Text] Comrade Colonel Preap Tan, deputy chief of the General Political Department of the Cambodian People's Armed Forces [CPAF], recently granted an audience to Japanese and U.S. correspondents at the 13 October guest house.

Answering a number of questions raised by the reporters on the current situation in the State of Cambodia, the comrade colonel clearly pointed out the goodwill and wish of the CPAF, which wanted to see a genuine peace, saying: We have enthusiastically welcomed and implemented the call on a temporary cease-fire launched by the Paris conference cochairmen and the UN secretary general. He stressed: Taking advantage of the opportunity, the Cambodians of the other side have joined forces to launch offensives on the State of Cambodia's positions in remote areas in Battambang and Siem Reap- Oddar Meanchey Provinces. Moreover, they have used artillery pieces to fire many thousands of shells on the people's residential areas, causing great loss of lives, cattle, and property. Furthermore, they have also committed crimes against the people, plundered their property, and raped women, making thousands of people become war refugees. This is evidence of the gross violation by the other Cambodian side.

On that occasion, the comrade colonel also exhibited some photos, proofs of the recent criminal activities barbarously carried out by the other Cambodian side against our Cambodian people.

In their replies, the correspondents vowed to bring the news to the knowledge of the people worldwide.

PRACHEACHON Publishes Cease-Fire Commentary

BK0405101891 Phnom Penh SPK in English 0824 GMT 4 May 91

[All quotation marks as received]

[Text] Phnom Penh SPK May 4—The party paper "THE PEOPLE" [PRACHEACHON] has run a commentary entiled "Thief Crying 'Stop Thief'," blaming the Khmer opposition factions for violating the cease-fire which they undertook to observe as from May 1st.

The paper said: "Recently the co-chairs of the Paris International Conference on Cambodia and the Secretary General of the United Nations made an appeal for a voluntary cease-fire among all Cambodian warring factions starting from May 1. The State of Cambodia warmly welcomes the appeal hoping for a lasting peace for the Cambodian people.

"As for the coalition factions, they have also accepted the appeal, but they are acting like a thief crying "stop thief". "On May 1st, the government of the State of Cambodia ordered all its armed units to end their military operations. On the contrary the Khmer coalition groups have frantically increased their military offensives against the government positions in the northern and northwestern parts of the country, such as in Chamka Stoeng, Pang Rolim, Phnum Kon Damrei, Sala Krav, Takong Krav etc. On May 1st, the Polpotists in cooperation with the Sihanoukists and Sonsannians supported by two Chinese-made tanks and artillery conducted offensives against the government forces in Tadong, Tapho and Prey Villages, and in Kor Kpoh, Phkoam and Don Noy regions, 15-17 km east of Svay Chek, firing more than one thousand shells, killing or wounding many peasants, and destroying a lot of dwelling houses.

"While violating the voluntary ceasefire, the tripartite groups have slandered against the State of Cambodia by using their old trick of a thief crying "stop thief". This shows again the belligerent attitude of the tripartite groups and their insincerity in finding peace for the Cambodian people, in fact, they are obviously attempting to continue the bloodshed among the people and to bring back the genocidal regime of Pol Pot to the country".

The paper continued: "The Cambodian people with their earnest aspiration for peace, national defence, and prevention of the return of the Pol Pot clique to power, resolutely urge the tripartite coalition government to strictly observe the cease-fire by remaining in place as before May 1st and return to the peace negotiations".

"If the tripartite coalition side keeps on violating the voluntary ceasefire, it will be sharply condemned by the Cambodian people and Armed Forces and the world public," the paper concluded.

VODK Accuses Hanoi, Phnom Penh of Violations

BK0805035091 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 7 May 91

[Station commentary: "The Hanoi Vietnamese Enemy Aggressors' Wicked and Invalid Nature Has Become More and More Flagrant"]

[Text] Acccording to reports from various battlefields all over the country, the Vietnamese aggressors' and their traitorous lackey puppets' troops have continued to carry out activities everywhere. In particular, on the very hot Battambang-Route 10 battlefield between 1 and 3 May, during which the cease-fire came into effect, many thousands of troops from Vietnamese Divisions 330, 8, and 4 and puppet Divisions 196, 4, and 6 with tanks and artillery pieces arrogantly mounted offensives against the Cambodian national resistancer forces' liberated zones locate south and north of Route 10.

This is a flagrant violation of the temporary cease-fire call launched by the cochairmen of the Paris International Conference on Cambodia and the UN secretary general that the three forces of the Cambodian national resistance as well as the Vietnamese and puppets themselves have supported. The violation is also testimony that the Hanoi Vietnamese aggressors have never respected their pledges. In the war with the United States and the South Vietnamese administration between 1960 and 1975, the Vietnamese never honored their promises and went so far as to encroach upon a cease-fire agreement that they solemnly signed in 1973.

Why have the Vietnamese enemy aggressors painstakingly intensified the war in Cambodia, impinging upon the appeal voiced by the cochairmen of the Paris International Conference on Cambodia and the UN secretary general?

People still recall that the Hanoi Vietnamese authorities were aware of the call beforehand. So, on 18-19 April they met to map out a plan to expand their military operations during the truce for the purpose of using this as a pretext for accusing the Cambodian national resistance forces of violating the cease-fire, thereby refusing to attend the meeting among the four Cambodian parties and the Paris conference cochairmen in Jakarta. This is aimed at ruining the attempt by the cochairmen and the United Nations to resolve the Cambodian problem via a comprehensive political settlement in conformity with the blueprint of the five permanent members of the UN Security Council [UNSC].

However, the international community has clearly realized who is bad, good, dishonest, or honest. It has acknowledged that the Cambodian national resistance forces have never betrayed their promises—the resistance forces have continued to reiterate their acceptance of the 28 August 1990 framework document of the five permanent members of the UNSC and have never blown hot and cold.

The Cambodian national resistance forces wish to reaffirm their support for the establishement of the Cambodian Supreme National Council according to the formula six-plus-two-plus-two-plus-two-plus-one, by which Samdech Norodom Sihanouk is the supreme council's chairman. The resistance forces vow to continue to endorse the formula no matter what. Only the Vietnamese and puppets who, after announcing their acceptance of the five UNSC permanent members' framework blueprint, have made an aboutface against the plan. They have rejected the agreement on setting up the SNC according to the formula six-plus-two-plus-two-plus-two-plus-one that they themselves signed. Therefore, the international community has clearly seen the ugliest face and the craftyest nature of the Hanoi Vietnamese aggressors and their traitorous lackey puppets and will continue to condemn them rain or shine.

VODK Condemns SRV for Blocking Jakarta Meeting

BK0705061391 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 6 May 91

[Station commentary: "Vietnam Has Clearly Showed Its True Face as the Destroyer of the Process To Settle the Cambodian Problem"]

[Text] Lately, the world public has seen and learned that Vietnam and its puppet-lackeys do not want to end the Vietnamese war of aggression in Cambodia and that they have sought every means to hinder and destroy the process toward reaching a comprehensive political solution to the Cambodian problem. Vietnam's activities in this connection are as follows:

1. Vietnam has made every effort to oppose and destroy the framework document of the five permanent members of the UN Security Council [UNSC] and the 26 November draft agreement for comprehensively settling the Cambodian problem through political means by launching all kinds of activities—openly and secretly—and deceitful maneuvers to see that these documents are not concretely implemented.

2. Vietnam has created all kinds of obstacles to hinder the process of the Cambodian solution by ordering its puppets to use all pretexts to prevent holding the meeting in Jakarta among the four Cambodian factions and the Paris International Conference on Cambodia [PICC] cochairmen, thus delaying this meeting until now.

3. After the PICC cochairmen appealed for a temporary cease- fire as of 1 May in order to create conditions favorable to the meeting among the four Cambodian factions and the PICC cochairmen in Jakarta and the Cambodian national resistance forces accepted and implemented this appeal, Vietnam and its puppets have blatantly and truculently trampled upon this appeal. As a matter of fact, Vietnam has set up a plan for the Vietnamese and puppet troops to attack the Pailin, Thmar Puok, Samlot, and Banteay Ampil areas. Between 1 and 3 May, the Hanoi Vietnamese aggressors and their puppet-lackeys mobilized thousands of forces escorted by many tanks and artillery pieces to launch onslaughts into the liberated zone of the Cambodian national resistance forces in the northern and southern parts of Route 10 in a most barbarous and cruel manner.

All these activities of the Vietnamese and their lackeys clearly exposes Vietnam's true face as the destroyer of the process toward reaching a comprehensive political solution to the Cambodian problem. No matter what tricky and cunning maneuvers it has launched, Vietnam cannot conceal this evil face.

For their part, the Cambodian national resistance forces want a comprehensive political solution to the Cambodian problem in line with the framework document of the five UNSC permanent members and the draft agreement dated 26 November 1990 so that Cambodia can regain its security, peace, and stability. The international community also wants to end the Vietnamese war of aggression in Cambodia through a comprehensive political solution in line with all these documents. All of them agree that these documents are very fair and reasonable, that there is no better solution than these documents, and that only based on these documents can the Cambodian problem be settled fairly and permanently. This is why the Cambodian national resistance forces and the international community have stood firmly in favor of these documents and made every effort to stimulate the settlement of the Cambodian problem in line with them.

They will not allow Vietnam to destroy these documents or to create obstacles to hinder the process to settle the Cambodian problem in line with these documents. They will certainly continue to pressure the Hanoi authorities and their puppet-lackeys to fully accept the framework document of the five UNSC permanent members and the draft agreement dated 26 November 1990 in order to settle the Cambodian problem comprehensively through political means.

Commentary on Elections, Transitional Period

BK0705100191 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 7 May 91

[Political commentary: "A Neutral Climate in Cambodia Prior to Elections"]

[Text] In the Cambodian peace process, there has been disagreement over the transitional period prior to elections. The Big Five, the authors of the peace plan for Cambodia, have spelled out in the plan that it is necessary to have a neutral climate prior to elections. The Cambodian resistance movement has upheld the clause and demanded that it be preserved at all costs while Vietnam and the Hun Sen faction have persistently demanded its alteration.

What is the importance of the clause for the Cambodian resistance movement and what is its impact upon the Heng Samrin regime? And why has the regime earnestly demanded its modification?

The creation of the neutral climate prior to elections is of vital importance for the entire Cambodian nation. Elections without the neutral climate is tantamount to handing Cambodia to Vietnam as gift and to bolstering Vietnam's policy of aggression. And the electoral outcome obtained within the climate of the Vietnamese invasion signify the termination of the Cambodian nation's survival.

It is for this reason that the Cambodian resistance movement has resolutely demanded that all necessary measures defined in the Big Five's peace plan for insuring the creation of a neutral climate in Cambodia prior to the elections be maintained. As for Vietnam and the Heng Samrin regime, their justification for modifying the clause is not because they fear the Khmer Rouge, but because they are on pins and needles about the elections to be organized in a neutral political climate in which the Vietnamese lackey regime will ultimately be voted out of power.

In sum, the cause of the bone of contention in this final stage of a settlement of Cambodia's problem is not insignificant, but is of vital importance for the entire Cambodian nation.

With our struggle for more than 10 years on the battlefield, we—the noncommunist Cambodian nationalist resistance movement—have never put the Hun Sen group down as our enemy at all talks on Cambodia while Vienam has always taken us for their foe. We have clearly realized at all times that these are only the Vietnamese's foul plays. However, our struggle and demands are aimed at eradicating the Vietnamese lackey's political framework in Cambodia. We wish to emphasize that the Hun Sen group is not our enemy, no ifs, ands, or buts about it. The Hun Sen group, which is of the Cambodian genesis, should absolutely be part of the Cambodian population, who must only accept a framework within which Cambodia is independent and sovereign, because this is the cause of our correct and just struggle.

Indonesia

Alatas, SFRY Envoy Discuss Nonaligned Movement

BK0705131491 Jakarta ANTARA in English 1018 GMT 7 May 91

[Text] Jakarta, May 7 (OANA-ANTARA)—Yugoslavian Ambassador to Indonesia Vjekoslav Koprivnjak met Foreign Minister Ali Alatas here on Monday to discuss various problems facing the Nonaligned Movement (NAM), including a foreign ministers meeting secheduled to be held in Ghana next month.

"Friday this week, a special delegation of the Yugoslav Foreign Ministry will come to Jakarta for a meeting with Minister Alatas to discuss, among other things, Nonaligned Movement issues and the scheduled foreign ministers meeting," Ambassador Koprivnjak told reporters at the Foreign Ministry here.

Commenting on Argentina's plan to withdraw from the movement, the Yugoslav ambassador said that it depends on Argentina herself because the Nonaligned Movement is an independent movement.

"Countries which are firm in their principles not to join one particular bloc could become members of the Nonaligned Movement," he said.

REUTERS last week, quoting a statement by Argentinian Foreign Minister Guido di Tella in an interview with a Spanish newspaper, reported from Madrid that Argentina planned to withdraw from the movement for closer relations with Washington.

Di Tella said that the movement grouping 102 member countries and founded in the period of the Cold War is no longer relevant with the current situation.

"Argentina has already indicated her intention by taking part in the Gulf War, di Tella added.

"The East-West conflict is now over and NAM is no longer significant to us or anybody else," the Argentinian foreign minister told "EL PAIS" daily.

Commenting on the views that NAM is no longer effective, the Yugoslav ambassador said there are still many problems which should be tackled by NAM despite the many changes in the world today.

He said although the Cold War and other problems which previously made NAM's existence significant is already over and there are problems which should be tackled like the relations between the advanced industrialized and developing countries in the field of economy which is being solved through the Uruguay Round.

Emphasizing the importance of the NAM existence, the ambassador believed that there are many problems today which could endanger the world but hard to be solved even though the Cold War has ended.

Such a situation, according to the ambassador, will give a good reason for NAM to take action in trying to solve the problems in order to guarantee the sovereignty of weak and poor countries.

Many reasons nowadays which make NAM to continue its struggle, and in this context, NAM has planned to hold its foreign ministerial meeting in Ghana next September, he said.

In connection with the problems faced by Iraq particularly those caused by the Kurds, the Yugoslav ambassador said that as the chairman of NAM, Yugolsavia has made a statement urging the Iraqi Government to immediately solve the problem.

"It is wrong that the Nonaligned Movement has done nothing," said the ambassador adding that NAM continues its efforts to help solve Middle East problems centered on the Palestinian issue.

Foreign Minister Alatas recently said that besides Nicaragua, Indonesia remained nominated to host the nonaligned summit scheduled to be held in 1992.

Minister Alatas said that the NAM foreign ministers meeting in Ghana will decide which country will host the the 10th nonaligned summit and the chairman of the movement.

However, the foreign minister said that Indonesia will not launch a campaign nor challenge Nicaragua which has also offered itself to host the summit.

Jakarta To Send Officer on Cambodian Mission

BK0705153091 Hong Kong AFP in English 0845 GMT 7 May 91

[Text] Jakarta, May 7 (AFP)—Indonesia has agreed to send an officer to join a U.N. military mission led by Ghanaian General Timothy Dibuama to observe a ceasefire in Cambodia, Foreign Minister Ali Alatas confirmed Tuesday.

"We will send an officer to join General Dibuama, most likely in Bangkok, to make this observation....

"Supervision is too big a word, but it is to show our concern and interest and get across the signal that we mean it when [we] want to see a ceasefire," Mr. Alatas said.

He identified the Indonesian officer as Army Lieutenant-Colonel Sutarto.

The mission, proposed by U.N. Secretary General Javier Perez de Cuellar, is to visit Thailand and Cambodia May 11-17 to review a cease-fire declared May 1 in war-torn Cambodia, a U.N. spokesman said in New York on Monday.

It will be led by Gen. Dibuama, who will be accompanied by military officials from France and Indonesia, the two nations co-chairing the Paris International Conference on Cambodia (PICC).

The voluntary cease-fire was called for by the U.N. secretary general and the two PICC chairmen on April 22, to last from May 1 at least until the conclusion of a meeting of the Cambodian Supreme National Council (SNC) which groups all four warring factions.

Reliable sources at the Foreign Ministry said Tuesday that the meeting of the SNC, which is to symbolize Cambodian sovereignty during an interim period before U.N. organized and supervised elections, is to be held here June 2-4.

Tanzanian Minister Arrives, Requests Assistance

BK0805034091 Jakarta Domestic Service in Indonesian 0000 GMT 8 May 91

[Text] Ahmad Hasan Diria, Tanzania's minister of foreign affairs and international cooperation, arrived in Jakarta yesterday.

Upon his arrival he said that the United Republic of Tanzania hopes Indonesia will be able to provide assistance for the development of science and technology while the country is undergoing economic restructuring.

He explained that the aim of his delegation's visit is to convey Tanzanian President Ali Hasan Mwinyi's message to the Indonesian Government to enhance the promotion of cooperation, and to study Indonesia's progress in the field of science and technology, as well as the industrial sector.

According to Ahmad Hasan Diria, Tanzania is now intensifying its economic restructuring, therefore, the country wants to establish cooperation with Indonesia in the fields of industry and technology transfer.

The Tanzanian delegation, which is accompanied by a delegation from Zanzibar, will pay a courtesy call on President Suharto and hold meetings with several ministers later today.

Firm Stance Called For on MFA Arrangements

BK0705130891 Jakarta ANTARA in English 1014 GMT 7 May 91

[Text] Sanur (Bali), May 07 (OANA-ANTARA)—Textile-exporting countries grouped in the International Textile and Clothing Bureau (ITCB) are urged to have a firm stance, especially in facing the imminent expiration of the multifibre arrangement (MFA).

Negotiations had been going on concerning the possible integration of the arrangement into the General Agreement on Tariffs and Trade (GATT).

The textile-exporting countries which are mostly developing countries have for a long time urged the revocation of the MFA and its integration in the GATT system, Trade Minister Arifin Siregar said following the opening of the [word indistinct] ITCB convention here Tuesday.

Some textile-importing countries, including members of the European Community and the United States, are still wishing to extend the term of the MFA though they agreed in principle to have the MFA integrated into the GATT system, the minister said.

In principle, he said, the textile-importing countries approved the integration of MFA into GATT which would mean the abolishment of quota system. The approval was declared in the Uruguay Round which ended last December 7.

When?broke out, Indonesia's textile export to Iran, Iraq, and other countries was hampered, said the minister adding that so far textile was one of the main export commodities of the country.

About 22 countries, including ASEAN member countries attend the 14th ITCB convention here, he added.

Laos

Press Release Issued on DPRK Visit

BK0805101091 Vientiane KPL in English 0917 GMT 8 May 91

["DPRK's Delegation Ends Its Successful Visit Here"—KPL headline]

[Text] Vientiane, May 8 (KPL)—Vice-president Yi Chong-ok of the Democratic People's Republic of Korea and his party left here for home yesterday, ending a one-week high-level visit to the Lao PDR [Lao People's Democratic Republic] at the invitation of the Lao PDR government.

A joint press release was also issued on the outcome of the visit of the delegation. The release indicated that while in Laos the DPRK delegation laid a wreath at the unknown soldiers' monument, paid a courtesy call to president of the Lao People's Revolutionary Party Central Committee and chairman of the Lao PDR Council of Ministers Kaysone Phomvihan, and president of the People's Supreme Assembly of the Lao PDR Nouhak Phoumsavan, in addition to touring some of historical and production sites in Vientiane.

Vice-president Yi Chong-ok had talks with acting president of the Lao PDR Phoumi Vongvichit, in which DPRK's deputy-foreign minister, its ambassador to Laos, and Lao deputy ministers of foreign affairs and external economic relations were among other senior officials.

In the talks, the sides stressed on the increasingly expanded relations of friendship between the parties, governments and peoples of the two countries according to which they agreed to widen bilateral economic cooperation. The sides appreciated the mutual support and assistance between their respective party, government and people in the interest of the national cause of each country.

The Lao PDR welcomed a DPRK new policy of peaceful reunification of Korea, whereas the DPRK acclaimed the Lao PDR's proposal aimed at making Southeast Asia a zone of peace, stability, friendship, cooperation and nuclear free, which constitutes a significant contribution to the cause of peace in the Asian-Pacific region and the world over.

The sides were satisfied with the outcome of the visit to Laos of this high-level delegation of the DPRK, which would contribute to enhancing Lao-Korean fraternal friendship and multifaceted cooperation.

Leaders Mourn Death of Thonglai Kommasit

BK0505085891 Vientiane Domestic Service in Lao 0430 GMT 4 May 91

[Text] On the afternoon of 2 May, our party and state leaders led by Comrade Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers, laid a wreath at the clubhouse of the Army General Political Department in Vientiane to mourn the death of Comrade Major General Thonglai Kommasit, member of the fourth LPRP Central Committee and first deputy head of the Army General Political Department, who passed away on 1 May. The wreath-laying ceremony was held to commemorate the achievements and meritorious deeds of the comrade major general in the service of the nation and people throughout his life.

Further reports said that on the same day, representatives of various ministries, army units, and mass organizations also took turns in laying wreaths to mourn the death of Comrade Maj. Gen. Thonglai Kommasit. They included representatives of the National Defense Ministry; the Army General Political Department; the General Economic, Technical, and Financial Department; the Food Department; Legal Department; and the Public Security Department attached to the National Defense Ministry; along with representatives of the Office of the Council of Ministers; the Lao People's Revolutionary Youth Union Central Committee; the Foreign Experts Management Department; various ministries, and various organizations. A number of foreign diplomats in Laos, representatives of the General Political Department of the Vietnam People's Army, and representatives of various state enterprises, companies, and factories also laid wreaths to mourn the death of Maj. Gen. Thonglai Kommasit.

Later, on the morning of 3 May, many other sectors also sent their representatives to lay wreaths at the clubhouse of the Army General Political Department.

Final Mourning, Cremation Held

BK0505102391 Vientiane Domestic Service in Lao 0430 GMT 4 May 91

[Text] On the afternoon of 3 May, a final mourning ceremony for deceased Comrade Major General Thonglai

Kommasit, member of the fourth Lao People's Revolutionary Party [LPRP] Central Committee and first deputy head of the Army General Political Department, was officially held at the clubhouse of the Army General Political Department in Vientiane to pay last respects. The ceremony proceeded amid an atmosphere of grievous sorrow of the entire party, army, and people. It was held prior to the moving of the corpse to the funeral site at the km marker-5 grounds where religious ceremony and cremation would be held.

Attending the ceremony to express mourning for the last time to Comrade Maj. Gen. Thonglai Kommasit were Comrade General Khamtai Siphandon, Political Bureau member of the LPRP Central Committee and minister of national defense; Comrade Lieutenant General Choummali Sai-gnason, Political Bureau member of the Party Central Committee and first deputy minister of national defense; Comrade Lt. Gen. Osakan Thammatheva, member of the Party Central Committee, deputy minister of national defense, and head of the Army General Political Department; Comrade Gen. Sisavat Keobounphan, member of the Party Central Committee, secretary of the party committee, and chairman of the administrative committee of Vientiane Municipality; and Comrade Brigadier General Siangsom Kounlavong, member of the Party Central Committee and deputy minister of interior; along with officers and men from various units of the National Defense Ministry and hundreds of Vientiane residents.

At the ceremony, Comrade Lt. Gen. Choummali Sai-gnason, Political Bureau member of the Party Central Committee and deputy minister of national defense as chairman of the committee in charge of organizing the funeral of Comrade Maj. Gen. Thonglai Kommasit, read a eulogy expressing mourning for Comrade Maj. Gen. Thonglai Kommasit. In the eulogy, Comrade Lt. Gen. Choummali Sai-gnason gave a brief biography of Comrade Maj. Gen. Thonglai Kommasit and recalled the activities and achievements carried out and won by him. Lt. Gen. Choummali Sai-gnason recalled that Comrade Maj. Gen. Thonglai Kommasit had always stood shoulder to shoulder with other revolutionary combatants in the national salvation struggle on the difficult and tortuous road. [words indistinct] Throughout his life, Comrade Maj. Gen. Thonglai Kommasit had sacrificed everything for the nation, the people, the revolution, and the entire party. He deserved to be a beloved and best son of the Lao people, a (?lofty) property of the party, and a heroic, undaunted, and indomitable combatant who maintained a spirit of unselfishness. [words indistinct] He gained broad confidence and affection from the cadres, combatants, and multiethnic people throughout.

Later, the body of Comrade Maj. Gen. Thonglai Kommasit was moved to the km marker-5 grounds. A religious ceremony was then held and it was followed by the cremation ceremony.

Comrade Maj. Gen. Thonglai Kommasit has left us. But his renown and meritorious deeds have remained and will remain forever in the hearts of our cadres, combatants, and multiethnic people.

Phoumi Vongvichit Receives New Envoy to Germany

BK0705111591 Vientiane KPL in English 0917 GMT 7 May 91

[Text] Vientiane, May 7 (KPL)—Acting President Phoumi Vongvichit of the Lao People's Democratic Republic yesterday morning handed the letter of credentials to the new Lao ambassador extraordinary and plenipotentiary to the Federal Republic of Germany [as received] to Dr. Maligna Sai-gnavong.

The acting president gave words of advices to the ambassador, with emphasis on Laos' foreign policy of peace, independence, friendship, and the constant cooperation with nations pursued by the party and government of Laos.

Concerning the relations and cooperation with the Federal Republic of Germany, they must develop step by step in the common interest of the people of the two countries.

Rice Shortage Reported in Sekong Province

BK0705123891 Vientiane KPL in English 0927 GMT 7 May 91

[Text] Vientiane, May 7 (KPL)—People of Ta-oi and Sam-oi Districts, Sekong Province, are now facing rice shortage due to the last rice harvest caused by serious drought, reported a local source.

The people will be short of rice for about five or six months. Now the local administration has sent them 3 tons of paddy as relief aid. In addition, different companies in the province will supply them with more 40 tons of rice at a concessional price. Most of the population in the two mountainous districts are up-land (?people) whose production remains mainly dependent on nature.

More Refugees Return to Luang Prabang Province

BK0805103491 Vientiane KPL in English 0929 GMT 8 May 91

[Text] Vientane, May 8 (KPL)—The centre for refugees of the northern Luang Prabang Province at the end of April welcomed 11 more families of refugees, including 8 families of Hmong ethnic minority.

Since early this year, Luang Prabang has received 32 families of 112 voluntary repatriates.

These refugees have received assistance from the provincial social welfare service including employments.

Philippines

Reportage on U.S. Government Bases Issue

Firm Stand on Offer

HK0805101691 Hong Kong AFP in English 1000 GMT 8 May 91

[Text] Manila, May 8 (AFP)—The Philippine Government Wednesday stood firm on its offer of a maximum seven-year new treaty on U.S. bases in the country, but suggested that the next administration will have the option to extend the pact.

Foreign Secretary Raul Manglapus said in a statement as the two countries restudied their positions following a breakdown in talks last week that "we cannot accept" a new agreement lasting more than seven years.

The U.S. lease on Clark Air Base and Subic Naval Base, Washington's largest military outposts abroad, runs out in September. U.S. negotiators want a 10-year new treaty at a maximum of 556 million dollars a year.

"The main issue preventing closure on the negotiations is that of duration. We believe that our position of seven years is mutually responsive to the needs of both countries," Mr Manglapus said. He said Manila was also "firm" on its demand for 825 million dollars in annual compensation, including 400 million dollars to be appropriated by the U.S. Congress and 425 million dollars in surplus military equipment, debt pardons and increased trade access.

But he added that "in response to a request by the U.S. panel, we are open to... a provision stipulating that the Philippine Government, if it so desires, may unilaterally review the installations arrangements to determine if Philippine national interests warrant future discussions with the U.S. on post-treaty arrangements."

Presidential, legislative and local government elections are scheduled to be held next year. President Corazon Aquino has ruled out standing for reelection.

The Senate is currently dominated by opponents of a new bases treaty, which must be approved by at least two-thirds of that body, although officials say an attractive compensation plan could swing crucial votes in Washington's favor.

Mr Manglapus earlier hinted that the Philippines could accomodate "creative" ways by which the United States could meet its compensation demands—including increasing the share of military hardware in the package—as long as the total figure of 825 million dollars is achieved.

Senators Salonga, Pimentel Views

HK0805052591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 May 91

[Passages in italics in English]

[Text] It will still be difficult for the new bases treaty to be ratified by the Senate even if the Americans have agreed to the $825 million annual compensation.

This was the response we received from Senate President Jovito Salonga when we asked for his reaction to the conflicting statements of Foreign Affairs Secretary Raul Manglapus and U.S. panel officials regarding the result of the latest talks.

Senator Salonga also expressed that the position of the Senate may only change if the senators can have a say on the future of the said military bases.

[Begin recording] [Salonga] I told Mr. Armitage when he talked to me that the senators should also have an input to the bases treaty. But none of the senators' suggestions were considered by the panel of Manglapus.

[Joe Taruc, DZRH anchorman] Does it mean that aside from the briefing being conducted by the Philippine panel, there was no consultation prior to actual negotiation?

[Salonga] There is a briefing. There is consultation but nothing was considered at all. [end recording]

In a related development, Senator Pimentel appealed to the Aquino administration to cancel all talks pertaining to the military bases and to just allow the existing 1947 military bases agreement to expire. In an interview with DZRH, Pimentel stated that the American panel is becoming arrogant and the Philippines appear to be the one begging for the just compensation for the retention of the military bases in the country.

According to Pimentel, it is better to just enforce the provision of the constitution regarding the military bases.

[Begin Pimentel recording] Why are their [the Americans'] statements very arrogant? *Very insolent and arrogant.* Which is why I think *it is better* that all negotiations with the Americans on the bases issues should be canceled. We should tell them, okay, this is it, you want this then let it be so. No more bases, it is finished. [end recording]

Editorial on Treaty

HK0805043191 Manila THE CHRONICLE in English 8 May 91 p 4

[Editorial: "A Treaty on Our Own Terms"]

[Text] Foreign Secretary Raul manglapus did right to explain in very clear terms just what happened in the failed bases negotiations. From the Manglapus statement which Chronicle published in full yesterday, it would seem the negotiations were characterized by mixed signals. Or, more likely, double talk.

It is appalling to see how the American panel tried to misrepresent the status of the talks in its various press statements. The Philippine panel, trying not to embarrass foreign guests, allowed them to do just that. But diplomacy does not mean quietly accepting abuse. Yesterday, Mr. Manglapus had enough and very clearly rendered the report.

Contrary to impressions made by the American panel, it now seems that a tentative compensation figure of $825 milllion has been agreed upon. The last talks collapsed on the issue of how long and not how much. It makes a difference, the manglapus statement infers, because "compensation is only a matter of money. The issue of duration is a question of principle."

Manglapus is simply saying that the Americans lose their basing rights after September 1991. It is no longer a question of Americans "generously giving up use of Clark and Subic; it is the Philippines allowing use of these facilities." The problem lies not so much on the Americans' unwillingness or inability to meet the compensation amount sought by the Philippines, but "the American inability or unwillingness to recognize that the expiration of the MBA [Military Bases Agreement] results in a tabula rasa, a clean slate upon which the Philippines and the United States can proceed to inscribe the terms of a new relationship more respectful of each other's vital interests and concerns."

In other words, there was an obvious attempt of the United States to bully its way to a new agreement with no regard for the changed political conditions in the country since 1946. The money issue is important but not as fundamental as the political issue raised by the requirements of our own Constitution.

It is hoped that the Aquino administration will be able to enforce its current position that a new treaty can only be possible on our own Terms. But the realities of international politics and economics work against us. Pressure from a superpower fresh from a military victory in the Gulf and the weight of our debt problem will eventually wear us down. Improverished people get no respect from the rich, be they Taiwanese, middle income Malaysians and the United States. Impoverished people get pushed around. This afterall, is the real world.

Article Says U.S. Grants Influence Policies

HK0705152191 Manila PHILIPPINE DAILY INQUIRER in English 4 May 91 pp 1, 10

[Article by Marie Avenir, Lucia Palpal-latoc, and Ma. Lourdes M. Reyes of The Philippine Center for Investigative Journalism; last in a series]

[Text] United States Agency for International Development [USAID] papers and documents show that development and economic grants are used by the American government to influence policies of the Philippine government.

One such grant is the Economic Support Fund, which is given to countries where the U.S. has special security interests.

As a major donor to the Philippines, the U.S. has its own carefully drawn views of how Philippine economic development should be conducted. These views are contained in the USAID'S Country Development Strategy Statement, which also maps out strategies for the agency.

The report also stipulates an "informal but collaborative approach to policy change." USAID has financed policy studies by the departments of agriculture, finance, and trade and industry.

Takeshi Yagi, economic director of the Japanese embassy in Manila, says that policy-linked conditionalities influence and eventually shape the development strategies of the recipient country.

"Even the Philippines' definition of development has been shaped by donor countries and institutions," says Prof Leonor Briones, chairman of the Freedom from Debt Coalition (FDC). "The definition of development during the 1970s in terms of massive infrastructure (was) a World Bank and USAID concept," she says.

Terms of Aid

Terms of U.S. aid which are linked to macro-economic policies of the country constitute "interference," says Solita Monsod, former head of the National Economics and Development Authority [NEDA].

But USAID Director Malcolm Butler acknowledges that the agency is involved in the policy of the Philippine government, but these are policies which the government has established for itself.

"If we were coming in saying, you have to do this, that would be (imposing), but that's not what we're saying," he says. "What we do is we come and say, 'Mrs President, you want to help the private sector, we think that's important, we would like to help you.'"

But based on USAID reports, the agency is also involved in reforming or changing policies of the government, an involvement backed by large funds badly needed by the Philippines.

A 1985 USAID policy paper on private enterprise development indicates that the agency is involved in changing policies of recipient countries on development strategies: "AID should also engage in specific direct program actions to eliminate legal, regulatory and other constraints to private enterprise development, and to assist and promote private enterprise...".

Narrowly Defined

The Institute for Food and Development Policy pointed out that development policies which the U.S. wants to promote among recipient countries are "narrowly defined," and are "shaped by interests of multinational corporations and hostility to any potentially threatening contrast to the concentrated power structure that has taken hold of the United States."

Briones points out that the U.S. channeled most of its assistance to areas surrounding the U.S. bases in the Philippines, thereby indirectly plowing back benefits of U.S. grants to American use.

In a special Senate committee hearing last April, Irma Corrales, a director of NEDA, told senators that implementors of projects funded through the Philippine Assistance Program (PAP) hardly have a say in determining which regions or provinces should benefit from PAP funding.

Most donors pre-determine which projects they want to fund, she said.

A USAID paper for 1988 reported that approximately half of USAID support for rural infrastructures primarily from the Economic Support Fund program "was provided to Central Luzon, the area most impacted by the U.S. military facilities." The program included schools, roads, public markets, slaughterhouses, drainage and flood control works and medical facilities.

Overall U.S. foreign assistance to the Philippines is undoubtedly related to the presence of U.S. military bases in the Philippines. This is a fact no longer denied by U.S. officials and acknowledged by Philippine officials.

USAID Funds Butler says that channeling USAID funds to "bases-impacted" areas may have been true "before the Aquino administration, five to 10 years ago," but USAID now supports the "national program" of the Aquino Administration.

"The fact that we have U.S. bases here has nothing to do with the fact that, for example, USAID allocates $20 million of U.S. assistance to Philippine health programs," he says.

Arthur Aquilar, former member of the PAP consultative council says that U.S. assistance to the country may go down if the compensation package for the U.S. bases goes up.

The skepticism toward USAID projects in the country has been reinforced recently by a U.S. congressional committee's review of USAID funding priorities in the country.

The report said the USAID sidetracked social programs that would directly benefit the poor in favor of large infrastructure projects.

By favoring large infrastructure projects, the agency failed to initiate creative approaches to development problems in the Philippines, it said.

Misplaced Priority

A USAID infrastructure project in South Cotabato was cited by the committee as an example of misplaced priority. The project involved substantial infrastructure development, including harbor construction and agriculture and fish processing facilities, and is supervised by USAID with funding through U.S. contributions to the PAP.

The committee urged USAID to submit a report indicating how the project could improve the lives of the rural poor in the area, and to consult local communities which would be affected by the projects before funding is extended.

Adverse effects of U.S. assistance may be averted if the Philippines had a sound economic development plan built through consultation with its communities, says Nicanor Perlas, head of the Center for Alternative Development Initiative.

Even the Philippine Medium Term Development Plan (1986-1992) formulated by NEDA cannot solve the country's development problems.

Says Sen Wigberto Tanada: "It is true that NEDA publishes numerous reports and plans, but it is doubtful whether these are read and taken seriously by various agencies and government units who seem to have their own planning objectives."

This confusion allows plan formulation and implementation to fall into the hands of powerful foreign aid creditors. The PAP is one major program that allows foreign creditors and donors tremendous opportunity to intervene in the planning process, Tanada says.

Allocation of foreign funding in the country is not guided by any master plan made by NEDA but by the palakasan [influence] system, says Arthur Aguilar, former member of the consultative committee for the PAP.

"The system (of allocation of funds for projects) is strike anywhere," he says. "Whoever packages that projects first, wins."

Briones says that negotiators for foreign-assisted projects are to blame for allowing donor countries to dictate the country's development policies. She said the government has the right to reject foreign aid if the conditionalities are detrimental to the country.

The Department of Agriculture [DA] announced in 1989 that it had cancelled several projects funded by the World Bank and the Asian Development Bank which were found "contrary to the new policy directions of the government and the Department of Agriculture," and were "irrelevant, poorly designed, carried interest rates or commitment fees or both which were too high."

The cancelled projects, involving fisheries, aquaculture and livestock development, were designed and contracted for before 1986, says Gus Tiambeng, former head of the DA-International Agricultural Development Cooperating Coordinating Office.

When the new administration of the DA undertook a thorough review of the country's agricultural policies in 1986, it found the technology prescribed for the projects contrary to the DA's general theme of proper exploitation of natural resources.

Says Briones: "We Filipinos should also assert that the donors need us the way we need them, because they need markets for their products."

Military Revises Anti-Insurgency Strategy

HK0605133591 Manila MANILA BULLETIN in English 4 May 91 p 9

[By Mario Casayuran]

[Text] The Armed Forces of the Philippines (AFP) has begun revising its battle plans against New People's Army (NPA) rebels who shifted their operations from the urban centers to the rural areas.

This was revealed yesterday by Lt Gen Lisandro Abadia, AFP chief of staff, after a closed-door meeting with Sen Ernesto M. Maceda, chairman of the Senate national defense and security committee and the Senate finance sub-committee 11, which recommended big cuts in the AFP budget.

Maceda and Abadia expressed concern that the NPA, the military arm of the Communist Party of the Philippines (CPP), continues to inflict heavy casualties despite the reduction of its armed strength from 25,000 in 1988 to 17,000 this year.

Members of the Philippine National Police [PNP] Civilian Armed Force Geographical Units (CAFGU) have become the top targets of the insurgents since the PNP law was signed last January, they added.

Abadia said the Scout Rangers will be sent to the battlefield to fight the insurgents.

The Scout Rangers will be reactivated on May 16 with 10 companies or a total strength of 1,200 at 120 soldiers per company "to be infused with new blood" after a rigorous training, Abadia said.

The battle-tested Scout Rangers were disbanded after their involvement in the Dec 1, 1989, coup attempt.

Maceda and Abadia said the disbandment of the Scount Rangers had affected the strike capability of many military units in the field.

"We will accelerate the demise of the CPP with the support of Congress," Abadia said.

Despite the change in AFP field strategies to contain the insurgency problem, Abadia appealed to the insurgents to consider "the international scene" and stop the bloodshed.

Abadia said communist fronts in Latin America agreed to a peaceful settlement. He also cited the crumbling of communism in Eastern Europe.

If the NPAs go political, the government may let them run in the 1992 national and local elections, Abadia said.

Maceda said he found it disturbing to learn that the rebels have been attacking government troops in larger units in some areas.

Maceda and Abadia met to reconcile their differing figures on the casualty rate in the AFP anti-insurgency campaign.

They agreed that the AFP had killed more NPA rebles, while the NPAs wounded more government troops from January to April this year.

"While the AFP had initiated more encounters, it was disturbing that the NPAs still had the capacity to initiate 178 engagements in 44 provinces in four months time, with the PNP and CAFGU as priority targets," the two said.

In his privilege speech last Monday, Maceda said the communists have gained the upperhand by killing 563 troopers during the January-April period compared to 447 insurgents killed.

Abadia and Maceda agreed that the AFP will review its stand on the grant of selective amnesty to rebel officers and enlisted men, but leaves the matter to President Aquino and Congress.

After a brief press briefing at his Port Area office, Maceda said his committee will consider the restoration of P400 million [Philippine Pesos] for the AFP whose mobility has been reduced because of the budget cuts.

Before retiring, Maj Gen Rodolfo Biazon, AFP chief of staff, told the Maceda committee that the AFP needs P1.3 billion for its gasoline and oil requirements alone.

Biazon said the recommended cuts in the AFP budget reduced the flying time of military aircraft from 30 hours a month to seven hours.

Abadia said he sought congressional help in the reconsideration of cuts made on the AFP's 1991 budget to allow the Philippine to stand on its own militarily in case the Americans leave the country after the expiration of the RP [Republic of the Philippines]-U.S. military bases agreement (MBA) in September.

Maceda said his committee will reconsider its position only on the CAFGU program where he slashed P100 million from its proposed P650-million budget and the AFP modernization program.

Maceda and Abadia said there is need for a stricter screening of CAFGU members because of certain abuses, especially in Mindanao.

Abadia said the initial target of the AFP modernization program is the acquisition of 24 F-16 jets and 12 fast attack missile gunboats.

Police Launch Anti-Insurgency Drive

HK0605154991 Manila MANILA BULLETIN in English 6 May 91 p 20

[By Jerry Lacuarta]

[Text] San Fernando, Pampanga—The Philippine National Police (PNP) have launched Operation Salamander targetting leading cadres of the Central Luzon regional command of the communist Party of the Philippines (CPP) and its military arm, the New People's Army (NPA), operating outside the region, it was learned yesterday.

The launching of the new anti-insurgency operations came after intelligence reports that several CPP-NPA Region 3 operational command were proved operating outside the Central Luzon area. [sentence as published]

Chief Superintendent Pantaleon Dumlao Jr., Central Luzon PNP director, said several leading figures in the CPP-NPA hierarchy n the region have opted to work in other areas after the dismantling of a communist front in Bataan.

The front, using a code name Avesco Corp., was destroyed after a series of intensified military and police operations conducted by the PNP Recom [Regional Command] 3 and the 702nd Army's Infantry Brigade.

The first communist leader to fall under Oplan [Operational Plan] Salamander was Felisa Timog, alias Emma or Pina, 42, and alleged incumbent secretary of the finance committee of the Central Luzon regional operational command.

Timog, also an alleged member of the NPA regional operational command executive committee, was captured last week by elements of the PNP regional intelligence unit and the Rizal PNP on Talim Island, Cardona, Rizal, said Dumlao.

The NPA amazon carries a price of P100,000 [Philippine pesos] on her head. She was arrested on the strength of a warrant issued by Judge Antonio Quintos of the third municipal trial court where she was charged with murder.

Timog, who has P100,000 price on her head, did not resist arrest, Capt. Noel de los Reyes, Central, Luzon PNP intelligence officer, said.

De los Reyes added that no firearm was found in her possession and in the alleged hideout.

At the time of her arrest, Timog was with a group that has been orchestrating the CPP's armed struggle while in the safety of their underground lairs, he said.

Doubts Arise on Armed Forces Chief's Neutrality

HK0705042691 Manila THE CHRONICLE in English 7 May 91 p 7

[Text] Resigned Maj. Gen. Alexander Aguirre warned yesterday that AFP [Armed Forces of the Philippines] Chief Lt. Gen. Lisandro Abadia may not be able to keep the military neutral in the 1992 polls, because he was "beholden" to some politicians for his post.

Aguirre identified some of these politicians as members of the Commission on Appointments [CA] itself and of the Laban ng Demokratikong Pilipino (LDP) [Struggle of Philippine Democrats].

Aguirre was appearing as a resource person and witness for the CA defense committee, which opened confirmatory hearings or Abadia yesterday. But instead of interviewing Abadia, legislators spent most of the three-hour hearing grilling Aguirre.

They took turns defending the presidential prerogative in appointing the chief of staff and challenging statements by Aguirre, who contended that Abadia's selection by President Aquino had been "tainted with partisan politics."

Aguirre cited news reports quoting Abadia himself as having asked for support from Speaker ramon Mitra, Senate president Jovito Salonga, Sen. Ernesto Maceda, Sen. Juan Ponce Enrile, Makati Mayor Jejomar Binay and Jaime Cardinal Sin.

Aguirre said that Abadia was "beholden" to politicians especially the LDP when the constitution says that the military should be insulated from partisan politics.

"With the forthcoming 1992 polls, and with the strong Filipino trait of "utang na loob", how could we insulate the AFP from political partisanship when its very head would feel that he owes (even partly) his elevation to LDP stalwarts?" Aguirre asked.

"The foregoing facts of circumstances show a subtle politicking in the guise of courtesy calls, and political interference in the election process," he argued, adding that there was an "apparent violation" of the constitution in Abadia's selection.

"Merit is always embedded in seniority." Aguirre testified in explaining why Abadia's promotion violated the Constitutional spirit toward prfessionalism in the military.

"That is why "deep selection" is an abdominable act to the rank and file when the junior concerned has no clearly outstanding achievements to rely on: hence 'deep selection' is synonymous to 'palakasan' when resorted to without valid justification," he added.

Romero accused Aguirre of "defying" his commander-in-chief when he publicly questioned Mrs. Aquino's choice of Abadia.

Apart from clashing with some CA members, Aguirre also traded barbs with Abadia himself, who was silent for the most part except when he spoke up to deny Aguirre's charge that he wanted to crush the Edsa Revolution in 1986.

Aguirre said that military men were particularly offended by how Mrs. Aquino could have chosen Abadia, who in 1986 was "chief of operations on the other side and wanted to prevent the Aquino government from coming to power."

Military Rebel Group Sends Letter to Masses

HK0705043491 Manila PHILIPPINES NEWSDAY in English 7 May 91 p 3

[By Barbara Fabian]

[Text] The Filipino masses should shed their indifference and become more assertive of their rights as citizens if they are to rise from the woeful situation they are in.

This is the gist of the Young Officers Union's (YOU) open letter to the junior officers of the Armed Forces of the Philippines (AFP) dated May 2, 1991, a copy of which was obtained by NEWSDAY yesterday.

In a strongly worded letter, YOU spokesman Captain Washington M. Javier noted that the political fever brought about by the coming elections has been "crucifying the national psyche into virtual stillness," with the people percentially preferring to silently watch the events.

The YOU partly blames the Filipino masses for this fencesitting attitude which results in their continued suffering. This indifference also gives the political and military leaders the false assurance that their "entrusted and privileged posts are Constitutional," the YOU said.

The outlawed military faction also appealed to their fellow junior officers to "fight for what is better or best for the masses" by discerning the "real status of pervading social, economic, and political situation" of the country.

The letter also pointed out the junior officers' dilemma of functioning in the military system, thereby preserving the incumbent political administration and that of serving the people by enhancing their lot in life.

While the YOU noted the military leaders' recognition of the issues it raised, it appealed for more support for a "united movement of youthful military officers in the AFP."

Editorial Urges Study on Military Promotions

HK0805045491 Manila PHILIPPINE DAILY INQUIRER in English 8 May 91 p 4

[Editorial: "Promotions Measure Deserves Serious Study"]

[Text] During the defense committee hearing of the Commission on Appointments [CA] last Monday, Maj. Gen. Alexander Aguirre, who resigned as AFP [Armed Forces of the Philippines] deputy chief of staff to protest the appointment of Lt. Gen. Lisandro Abadia as chief of staff, received such intense grilling from the legislators that one CA member was moved to ask who was supposed to be confirmed, Aguirre or Abadia?

The heated confrontation only goes to show that promotions in the Armed Forces, despite Malacanang's attempt to reduce the matter to one of presidential prerogative, remains a sensitive and potentially explosive issue within and without the military. Abadia's confirmation hearings could yet be the forum where the real sentiments of the military with regard to civilian authority and vice-versa are finally aired, argued and, we hope, resolved.

In his protest against the "deep selection" of Abadia, Aguirre alleged that Abadia leaped over at least 40 other generals more senior than he, more qualified than he, with more field command experience.

Abadia's appointment to the command of the entire Armed Forces, Aguirre argued, is but an extreme illustration of partisanship in the AFP's promotion system in disregard of merit and performance, which is against the Constitutional mandate to insulate the military from partisan politics.

It was thus as a resource person for the possible enactment of measures to establish a sound promotion system among generals that Aguirre appeared before the CA committee hearing.

Aguirre's thesis appears reasonable. Down the line of the various military ranks, he said, promotion to the next higher rank is guided by strict and clear guidelines, with a career officer conscious of earning "points" in his favor as he takes on more and more challenging assignments and duties. But this no-nonsense system of promotions stops short of the higher echelons—the major service commands and chief of staff—where seniority and qualifications must often take a back seat to the prerogative of the appointing power, the President.

He thus proposes that Congress enact a law setting "broad parameters" to guide the President's choice of men to occupy the highest posts in the Armed Forces.

Obviously, such a measure would meet stiff opposition from the Chief Executive, who may view it as an attempt to undercut her power as Commander-in-Chief, since part of the President's influence over the senior generals lies in the power she holds over the culmination of their military careers. No less important is the President's need to have at the helm of the country's military someone in whom she has absolute trust and confidence, a factor that cannot be dismissed given the repeated challenges the Aquino administration has had to put down from rebellious elements in the military.

The debate over Aguirre's recommendation will be useful if only for clearing the air between civilian authorities and the military leadership. It would be useful to find out, for instance, if [the] majority of the officers really consider field command experience the most important of the factors that qualify a general for a service command or for chief of staff, as has been alleged. While officers would doubtless want to hear from civilian officials how much a general's perceived "cooperation" or "loyalty" counts in promotions to the higher echelons.

Commission on Appointments members would do well to ponder the merits of Aguirre's proposed legislation and set aside the acrimony and personalism that characterized Monday's hearing.

Senate, House Agree on Separate 1992 Polls

HK0805044191 Quezon City MALAYA in English 8 May 91 pp 1, 6

[By Romy Tangbawan and Didi Doloricon]

[Text] The holding of national elections next May and of local elections the following November appears headed for easy passage in Congress.

The Senate last night decided in a caucus to hold separate elections in the same months provided in a bill passed by the House on third reading also last night.

Thirteen of 21 senators present in the caucus junked the bill filed by Sen. Jose Lina (LDP) [Struggle of Philippine Democrats] calling for synchronized elections. Senate President Jovito Salonga did not vote.

The senators who voted for separate polls then chose the proposal of Senators Teofisto Guingona (LP) [Liberal Party], Alberto Romulo (PDP-Laban) [Pilipino Democratic Party-Nation's Strength], and Aquilino Pimentel (PDP-Laban) setting the national polls on May 11, 1992 and the local polls in November of the same year over Sen. Ernesto Maceda's proposal which sets the election for senators and congressmen in February 1992 and the presidential and local eletions on May 11, 1992.

The senators who voted for synchronized elections were Lina, Senate Minority Floor Leader Juan Ponce Enrile (NP) [Necionalista Party], Senators Rene Saguisag (LP), Edgardo Angara (Ind.), Wigberto Tanada (Ind.), Agapito Aquino (Bandila), [People's Unity in Spirit and Aim] and Sotero Laurel (NP).

House Bill, authored by Representatives Dante Tinga (LDP, Taguig- Pateros) and Felicito Payumo (LP, Bataan), sets the presidential, senatorial, and congressional elections on May 11, 1992, and the local elections six months later on the second Monday of November.

But House members, who who voted 108 to 26 in favor of the measure, failed to reach an agreement on the tenure of incumbent local officials which, under the Constitution, expires on June 30, 1992.

It was proposed earlier that the Department of Integrior and Local Governments appoint officers-in-charge during the transition period. Tinga and Payumo suggested that incumbent officials be allowed to continue in office in a hold-over capacity until they are replaced. Salonga said local officials should be allowed to act in a hold-over capacity.

Saguisag expressed fears separate elections might be decalred unconstitutional by the Supreme Court.

Those who opposed House 19313, led by Representatives Wilfredo Cainglet (LDP, Zamboanga del Sur) and Pablo Garcia (LDP, Cebu) and Minority Floor Leader Salvador Escudero, also described the desynchronization elections as "unconstitutional."

As this developed, Sen. Mamintal Tamano (NP), who presided at the hearing yesterday of the Commission on Appointments committee on constitutional offices, said the commission will soon come up with a decision of the nomination of Christian Monsod as chairman of the Commission on Elections.

Sen. Edgardo Angara (Ind.), the committee chairman, decided to inhibit himself from the hearing because he and Monsod were both former Namfrel [National Citizen's Movement for Free Elections] officers.

Tamano said some commission members are insisting that Monsod is not qualified because he lacks the required 10 years of law practice. Supporters of Monsod said practice of law does not necessarily mean appearing before the courts.

April Inflation Rate Levels Off

HK0805050091 Manila THE CHRONICLE in English 8 May 91 p 3

[By staff member Olive Melaya]

[Text] The country's national inflation rate levelled off in April, inching up by only 0.1% over March's figure, to 18.9%, the National Statistics Office (NSO) reported yesterday.

NSO attributed this to the deceleration in the prices of goods and services in Metro Manila, to 20% inflation rate, from its previous month's 21.6%. In areas outside Metro Manila (AOMM), the inflation rate were up to 18.7%, over the previous month's 18.2%.

The consumer price index (CPI) last month was 576 for the entire country, 633.1 for Metro Manila and 565 for AOMM.

The services group registered the highest inflation, while the food, beverages and tobacco index had the lowest annual growth in the entire country and AOMM.

In Metro Manila, the fuel, light and water index had the highest inflation due to price increases in coconut and wood charcoal. Despite the decrease in electric consumption brought about by the lower currency exchange rate adjustment last month, the group's index posted a slight 0.3% increase.

Meantime, consumers throughout the country experienced price increases in food items last month as the food, beverage and tobacco index went up by 0.6% in the entire country, 11.0% in Metro Manila and 0.5% in AOMM.

The index for rice in Metro Manila increased over the last two weeks of April, as the price of NFA variety increased by as much as 20%. In AOMM, the price of rice increased, but not in Regions 5, 6, 10 and 11, where it was cheaper than the previous month.

The prices of condensed, evaporated and powdered milk as well as those of cheese, butter and ice cream continued to increase last month. Also, increased prices of fresh beef, chicken and pork, along with some increases in canned meat, contributed mainly to increments in the meat index in Metro Manila and in most regions, of which the highest was in Region 3.

Increased prices of fuel materials such as coconut charcoal, wood bakawan and chopped branches, resulted in a 1.5% increase in the fuel, light and water index in AOMM.

Higher prices in the provinces of carpentry, plumbing the masonry materials and paint contributed to the 1.8% monthly increase and repairs index in AOMM. A nationwide 1.3% increase was noted in the group's index.

Communists Blame Soviets for Communism's Decline

Part I

HK0605134791 Manila PHILIPPINES NEWSDAY in English 6 May 91 pp 1, 2

[NEWSDAY special by reporter Danilo B. Agnote: "CPP [Communist Party of the Philippines] Blames Soviet Leaders for Decline"]

[Text] The banned Communist Party of the Philippines (CPP), breaking its silence for the first time on the collapse of the socilaist countries in Eastern Europe [EE] and the ongoing turmoil in the Soviet Union, has blamed the Soviet leadership for opening wide the gate to the "new bourgeois rulers," who undermined the fledgling economies of the socialist nations.

The CPP leadership, in its first official literature on the events that took place in the socialist bloc, blamed the disintegration of Eastern Europe and the Soviet Union on the mismanagement of the communist leaders themselves who acted as "junior partners" of the United States and the capitalist forces.

"The strategy of the capitalist powers is to let the industrial enterprises in EE countries and in the Soviet Union go bankrupt first so that it will be easier for the foreign monopoly firms to take over the lines of production and businesses and time is gained for extracting the laws most beneficial to foreign investors," said the five-page assessment paper prepared by the CPP's central committee-executive committee entitled "The Crisis of the World Worsens."

The CPP's policy-making body, which at first was wary of commenting on the events that took place in the Soviet

Union and Eastern Europe, also lashed out at the U.S. for taking advantage of the moribund economies of the socialist bloc by offering trade and loan concessions on the condition that the socialist leaders would impose economic and political liberalization.

These U.S. policies, said the document, led to the deterioration of the socialist economies as proven by the widespread unemployment, hyperinflation, food shortages, and loss of free social services which eventually led to political turmoil such as ethnic conflicts and racism plaguing the Soviet Union now.

"Early socialism like any new historical force is still vulnerable to its own weaknesses specially to the counterattack of capitalism which is still dominant in the world," the document added.

The USSR, said the document, virtually determined the course of political affairs of the socialist countries by allowing ts leaders to promote the private sector in their respective economies and to develop economic relations with the capitalist countries. Worse, the Soivet leaders funneled a hefty sum to the production of arms instead of reviving its moribund economy.

"The Soviet workers and people were victimized by two kinds of suction pumps: that of the enterprise managers and private producers in the free market and that of the central state in the arms race," the CPP said.

"The economic surplus that should have gone into expanding and retooling the civil economy and the production of more and better consumer goods went into military production."

The CPP strongly criticized the economic policies of the Soviet leaders starting with Khrushchev whom it claims promoted the restoration of capitalism in Russia. Brezhnev was also criticized for pushing further the "reforms" started by Khrushchev. "The private producers and corrupt bureaucrats became far bigger as they thrived on the free market where the real products of petty producers as well as stolen goods from the public sector were put."

Gorbachev's economic policies such as perestroyka (economic restructuring) and glasnost (openess) have also exacerbated Russia's economic condition and accelerated the economic debacle not only of the Soviet Union but the socialist countries in Eastern Europe as well. The glasnost, for instance, paved the way for the rise of capitalism, ethnic conflicts, anarchy, organized crimes, and "autocratic presidential powers."

Gorbachev's foreign policy budded as "new thinking" also led to the disintegration of the Council for Mutual Economic Assistance and the Warsaw Pact; the withdrawal of support from fraternal countries and parties; and the "emergence of the Soviet Union as some kind of a junior partner of the U.S.".

"The Soviet Union now is threatened by disintegration and is fighting for survival," it said to the point that it "reduced the Soviet leadership to beg for food aid abroad. The Soviet Union and the EE assumed the characteristics of the underdeveloped Third World countries as many of its privatized industrial enterprises were bankrupt and the state-collective farms were broken down."

"East Germany (because of German unity) and Czechoslovakia (because of its good industry) can benefit most from the conversion to capitalism after a difficult period of transition only because they can participate in the exploitation of most of the Soviet Union and Eastern Europe," said the document, adding that the Soviet Union will be the most to exploit the EE countries.

The document noted the presence still of "bureaucrat bourgeois and rich peasant sector" in the EE particularly Yugoslavia, Poland and Hungary who are still "blatantly exploitative." The states of these countries, it added, had been "collaborative with the foreign multinational firms and banks since a long time ago, even while the regime still carried the signboard of socialism."

Aware of the crisis of overproduction in the capitalist world, the U.S. and other capitalist countries refused to forge big direct investments and deliver new technology for retooling and survival of the industries in the EE and the Soviet Union due to the already existing glut in the capitalist world.

Nor was the U.S. excited in granting fresh loans to promote the sale of industrial equipment and consumer goods to the EE because, except for Czechoslovakia, all the other socialist countries were already overborrowed.

"Most of the socialist countries have no means of repaying. The international credit system has been abused too long. In fact, debts in the Third World and EE have already threatened the financial and economic stability of the capitalist world."

Part II

HK0705043891 Manila PHILIPPINES NEWSDAY in English 7 May 91 pp 1, 2

[NEWSDAY special by reporter Dario B. Agnote: "CPP [Communist Party of the Philippines] Blames Soviet Leaders for Decline"]

[Text] The country's 22-year-old communist insurgency being waged by the banned Communist Party of the Philippines (CPP) remains the most active and serious in Asia.

Although the military admits this, it said that the local communist guerillas had no recourse but to collapse just like the other moribund communist movements in the world.

"Yes it's true that the communist movement here is still the most active and serious in Asia. But the big question now is: 'Where is it going'" Brigadier General Alfredo Filler, Armed Forces of the Philippines (AFP) deputy chief of staff for intelligence (J-2), said. Filler said that the local communist insurgents were now a dwindling band of beleaguered cadres out in the woods.

Lieutenant General Lisandro C. Abadia, AFP chief of staff, said that the communist guerillas were "in a quandary of what to do" mainly due to the collapse of many socialist countries in the world. "Communism as a political, economic, and social system has proven to be unresponsive to the needs and aspirations of the people," he said.

In the military's viewpoint, the crumbling of the Eastern European [EE] nations, the turmoil ranging in the Soviet Union, and the ongoing peace process in the Latin American countries which the local communist guerillas look up to as model for their struggle have brought a serious demoralization among the local cadres. These have also severed the financial pipeline of the communist movement, the military said.

The disintegation of many socialist countries came while the National Democratic Front (NDF) was in the process of laying the ground work for developing "friendly and fraternal relations" with prospective countries which to them are potential sources of financial and material assistance.

The NDF's plan to establish party-to-party relations with the ruling parties in EE, for instance, was vividly explained in a CPP document prepared before the collapse of the socialist countries in EE.

Armando Liwanang, chairman of the CPP central committee on international relations, admitted in an interview in 1987 that the party then "was in the process of seeking and establishing relations with the ruling parties of the EE."

"I see no insurmountable obstacle to the establishment of friendly and fraternal relations between the CPP and the parties in EE and elsewhere," the CPP leader said. "There are no direct contention between the CPP and any one of them. The basis of friendly relations is the common struggle against U.S. imperialism. When friendly relations are established, fraternal or comradely relations begin to grow."

The recent developments in the socialist bloc obviously thwarted the growth of the fraternal or special relation the NDF plans to galvanize with the countries supportive of the local movement.

Alleged CPP documents seized by the military would show that the CPP reacted to the European situation by looking more to countries like Cuba, North Korea and Nicaragua. In fact, the military said that the CPP had maintained its ties with North Korea, where it forged party-to-party relations, as a possible source of arms.

A ranking military official also revealed that the cash-strapped CPP had looked to supportive groups in Canada and the U.S. for possible financial assistance. Although still promoting self-reliance, CPP documents further revealed that it had forged links with the Belgian Labor Party, French Communist Party, Australian Communist Party, New Zealand Workers' Communist League, and at least three Japanese groups.

Despite all these linkages, the military believes that the CPP will follow the downfall of many socialist countries in Eastern Europe. It said that the CPP could not depend on its neighboring countries in the Asia-Pacific region where most of the communist movements had given up the struggle. The communist forces in countries like Burma, Thailand, Sarawak, and India had either been transformed into ethnic forces or simply fragmented and marginalized, it added. The executive committee of the CPP central committee believes otherwise, stressing that the fundamental causes that sparked the Philippine revolution still exist such as the gnawing poverty of a great majority of the population and the glaring inequalities between the rich and the poor. The doucment pointed out that the disintegration of early socialism in EE could be seen as a potential source of lessons which could be avoided by the local movement.

"What remains for early socialism and the more widespread factors of socialism elsewhere, including the national democratic revolution with a socialist perspective in the Philippines, is to fight imperialism and all reactions, learn lessons from the failed socialist regimes, and take advantage of new conditions arising."

"The restoration of capitalism in Eastern Europe and the ongoing turmoil in the Soviet Union do not really strengthen the world capitalist system but merely increase the number of its victims who are impelled to resist," it said. "The existence, exploitativeness, and crisis of capitalism guarantee the resurgence of socialism at a new and higher level, with lessons learned from errors and failures and with new conditions arising to favor socialism. In the long run, the proletariat and the people of the world are bound to rise up against the worsening crisis and escalating oppression and explotation."

Thailand

Coup Rumors Drive Stock Exchange Index Down

BK0805013391 Bangkok BANGKOK POST in English 8 May 91 p 17

[Excerpt] Rumours of another coup yesterday severely affected stock exchange trading, causing the SET [Securities Exchange of Thailand] index to plummet 27.94 points (-3.22) percent to 840.06, with a very thin total trading value of 2,808.81 million baht.

Analysts yesterday forecast the prime gauge was heading towards the next support, based on technical analysis, of about 830 points before it was expected to bottom out.

Brokerage sources said the trading pattern yesterday steadily declined as rumours on the trading floor had it that members of the Lop Buri military were planning to stage another coup as they were angry about rumours their former boss, Gen Thianchai Sirisamphan, was likely to be announced by the National Peacekeeping Council's assets examing committee as another "unusually rich" former minister.

One source said rumours also were spread that the coup might take place on Friday.

"These rumours, together with technical forecasts of a downward trend in the prime gauge, caused investors to start panic selling," the source said.

Another source said Taiwanese market players, hearing of the rumours, were playing safe by dumping their portfolio investments almost across the board.

"Generally, foreign investors were also not certain about the local political situation, causing them to be cautious," another source said. [passage omitted]

Government Approves Deregulation Measures

BK0705030191 Bangkok THE NATION in English 7 May 91 p A1

[By Phitchaya Changson]

[Text] The government yesterday approved a two-phase deregulation programme for oil prices with the first phase taking effect on June 1.

From that date, retail oil prices will be freed nationwide as the government will no longer impose any ceilings. However, it will still fix prices of oil released by the refineries, and introduce wholesale price ceilings instead.

Prime Minister Anan Panyarachun, chairman of the National Energy Policy Committee, which gave approval to the step, said the national economy would be strengthened by less government control on oil prices, and could better adjust to world market conditions.

He stressed that it was his government's policy to deregulate the key economic sectors to boost competition and consumer benefits.

At present, there is enough competition in Bangkok and the provinces to allow market forces to dictate retail oil prices, he said, noting that in the first stage, consumers may be confused, but they will gain in the long run.

Agriculture Minister Anat Aphaphirom, who still retains the governorship of the Petroleum Authority of Thailand [PTT], said the PTT and state-owned Bangchak Petroleum Co had been assigned to be prepared to intervene in the market when there are problems.

The PTT, for instance, may open service stations in places where competition is not yet sufficient. At present, it operates about 1,000 of the 3,400 stations nationwide.

PM's Office Minister Phaichit Uathawikun, who is in charge of petroleum affairs, said oil price deregulation was an important step in helping the Thai economy. There must be greater flexibility for local industries to adjust when oil prices fluctuate, he said.

He said in the second round of deregulation, there would be virtually no restrictions on prices as the government will abolish the Oil Fund, the mechanism which currently stabilizes retail prices, while removing the fixing of ex-refinery prices and wholesale price ceilings.

But no timeframe has been set for the second round of deregulation

Phisit Phakkasem, chairman of the oil price adjustment committee, said officials had worked on the deregulation programme for four years before the government gave the greenlight for implementation yesterday. Phisit's committee will set the wholesale prices when the ceilings on retail prices are scrapped.

Piyasawat Amaranan, director of the National Energy Policy Office, said there would be measures to prevent excessive price hikes.

If any service station is found to have engaged in profiteering, its parent company will be notified to bring down the prices. The PTT will also intervene, while the government will have the final option of re-imposing the ceilings in places where there is persistent profiteering.

The scrapping of price ceilings is expected to bring down gasoline prices by Bt1.50 [Baht] per litre, while diesel is expected to be Bt0.90 cheaper provided that crude prices remain at present levels of below U.S.$20 a barrel. The expected price falls will be influenced by lower Oil Fund contributions.

—The energy committee yesterday also approved new tax rates for oil products which are less harmful. Unleaded gasoline will be subject to Bt2.40-2.90 a litre tax, while premium gasoline with 0.15-gramme lead content will be taxed at Bt3.10-3.60 a litre compared to 3.40-3.190 for 0.50-gramme lead content gasoline currently on sale. Unleaded gasoline is available at some stations while 0.15-gramme gasoline is not yet available.

Tax rates on diesel were adjusted upwards to Bt2.20-2.50 (0.5-gramme sulphur) and Bt2.30-2.60 (1-gramme sulphur) while kerosene is subject to Bt2.30-2.60 a litre taxes.

—The Esso refinary project won final approval from the committee to boost capacity from 63,000 barrels to 185,000 barrels per day in two stages. In the first stage, capacity will be raised to 145,000 barrels for completion around 1995. The second stage will be completed about five years later.

By 1999, 20 percent of shares will be floated on the stock exchange with the Finance Ministry reducing its holding from 12.5 percent to 10 percent. U.S.-based Esso will retain 70 percent of the shares.

—The committee also gave approval to the Electricity Generating Authority of Thailand [EGAT] to launch a new study on the economic viability of building nuclear power plants in Thailand. New energy sources will have to be secured in the next 15-20 years as oil and gas will not be sufficient, it found.

Phaichit also said that EGAT would try to maintain its present power rate structure while it is able to expand its capacity to serve demand.

—The committee also approved Thai Airways International's plan to invest Bt700 million in construction of a multi-product oil pipeline from Bangchak Petroleum's refinery to Don Muang Airport to help reduce road traffic congestion and boost supply security.

Public Health Minister on Pharmaceutical Patents

BK0705064591 Bangkok Domestic Service in Thai 0000 GMT 7 May 91

[Text] Dr. Phairot Ningsanon, minister of public health, spoke to a correspondent of the Public Relations Department at the Public Health Ministry on the medical patents issue. The minister said that after the U.S. Government submits to the Thai Government a proposal demanding an amendment to the pharmaceutical patents law aimed at protecting intellectual property rights and medical patents, Thailand may amend parts of its medical patents, provided that the amendments are appropriate, fair, and, most important, have the least adverse affect on Thailand.

Regarding the principles for amending the pharmaceutical patents law, he said the law should only cover newly discovered medicines. It should cover only pharmaceutical formulas and production methods and should not cover pharmaceutical imports. The medical patent protection period should not exceed 10 years, therefore, provisional clauses must be added to the revised bill. Before the protection really takes effect, Thailand should be given a 5-10 year period to prepare itself. The amendment of the pharmaceutical patent law must follow the legal framework and there is no need to take procedural shortcuts.

The public health minister went on to say that at the same time Thailand should update its national list of basic medicines. The list should only comprise necessary items, and common medicines should also be added to the list. Dr. Atthasit Wetchachiwa, deputy public health minister, has been assigned responsibility for this matter. He will consider data collected from various agencies including the Medical Council, universities, and private organizations. Due consideration must be given to all data.

However, we must admit that whenever a discovery is made by anyone, we do not want someone else to copy or imitate it, particularly in medical innovation, in which developing countries often suffer a disadvantage in relation to the developed countries. In any case, we have to take the least disadvantage. Therefore it is necessary to consider this issue very carefully, concluded the minister.

Commerce Minister To Clarify Stance

BK0705032191 Bangkok BANGKOK POST in English 7 May 91 p 17

[Text] Commerce Minister Amaret Sila-on, accused of favouring the United States over the Patent Act amendments, planned to "clear" himself by inviting all concerned groups for talks on the matter.

The commerce Ministry had moved to amend the Patent Act to bring the law in line with international protection requirements.

But Mr Amaret and the Anan Panyarachun administration had been strongly criticised by a group of doctors, pharmacists and some non-government organisations, especially the Coordinating Committee for Basic Health and Intellectual Property Study Programme, who said the amendments favoured the United States in a bid to avoid possible trade sanctions under Special Section 301 of the Omnibus Trade Acts.

Thailand late last month was identified by the bush administration as a country on the priority list for investigation over its infringement of intellectual property rights.

If negotiations between Thai and US authorities failed within the next seven months, Thailand was likely to face trade retaliation by the US Trade Representative.

But a seminar organised by the Basic Health and Intellectual Property Study Programme yesterday said the Government should organise a public hearing to get public opinion on the amendment of the laws.

The seminar said any amendment without public opinion wa a move to favour the Americans.

A highly-placed source said Mr amaret planned to invite all concerned for a meeting next seek to explain the government's stance.

"The issue and the government's stance were misunderstood, so mr amaret wanted to clarify the case before the government's reputation were tarnished," the source said.

The source told BUSINESS POST Mr Amarewt was gravely concerned over the strong accusations that he and Thai negotiators on the issue were "traitors" for allegedly favouring the US.

The source said Mr Amaret instructed the committee reviewing the country's intellectual property rights protection, chaired by Permanent Secretry Phatchara Itsarasena, to summarise details of the draft amendment of the Patent Act so all groups couild be assured the public would not be affected as much as was expected by some groups.

He said although the Government planned to protect pharmaceutical products udner the patent law, it had compared case studies from many countries, to comply with the outcome of the General Agreement on Tariffs and Trade talks, to ensure it would have a positive effect on the Thai economy.

The source said that under the draft amendment, the price of drugs in the local market would not be affected as section six of the draft said only new drugs which had never been registered elsewhere for more than one year would be accepted by Thai authorities for further registration.

Meanwhile, several provisions were included in the draft, such as a price monitoring board to prevent patent holders jacking up prices and hurting the public pocket.

And under the compulsory licensing provisions, people other than the patent holder could apply for a compulsory license if patented goods had not been produced or sold in the country within three years of the issue of the patent, or had been sold at unreasonably high prices.

"The breakdown of the recent talks in Amsterdam last month, because of unacceptable demands by Washington, has showed that the Thai Governemnt did not give in to US demands," the source said.

At a seminar on "The Special 301: The Priority Foreign Countries' Choice" at Thammasat University, National Working Group on Patent Laws' chairman Nitya Nand said the government had to generate public debate on the issue instead of conducting it in secret.

Dr Nand, an Indian expert, said Thailand, China and India, the three couitnrties identified as PFCs [Priority Foreign Countries] by sthe US government, should cooperate in fighting the US.

The academic urged the Government not to be in a rush to conclude the matter, which would have a long-term significant impact on the country.

In a statmeent by the organisation, it said the Government seemed to concentrate on soothing the impact of trade pressure and the US demands without taking into account a long-germ outlook.

Thammasat University's faculty of economics professor Aphisit Witchachiwa urged Mr Amaret to disclose details of negotiations between Thailand and the US over the issue to prove his sincerity, and called on the government to open a public hearing on the issue.

Amendments in Line With WIPO Clauses

BK0805023191 Bangkok THE NATION in English 8 May 91 p B1

[By Atchara Phongwuthitham]

[Text] The government's proposed amendments to the Patent Act are in line with the latest clauses adopted by the World Intellectual Property Rights Organization (Wipo), a Commerce Ministry source said.

Ministry officials have been working on amendments to the Patent Act B.E. 2522 (1979), in an effort to resolve patent disputes, mainly with the United States.

The United States has put Thailand on its "priority foreign country" watchlist, citing lack of progress on intellectual property rights protection.

The priority designation was announced on April 26 and leaves Thailand with no longer than seven months to strike a compromise. If talks fail, the United States Trade Representative will be free to initiate direct trade retaliation.

The source said Thailand has added 10 clauses to the amendment over and above those demanded by the United States. Most were in line with agreements made under Wipo and the General Agreement on Tariffs and Trade (GATT).

The areas of conflict separating the United States and Thailand are expected to be resolved by the multilateral forum. The Commerce Ministry planned to adopt the guidelines set by Wipo, but a meeting scheduled for June has been postponed indefinitely following the breakdown of the Uruguay Round of trade negotiations.

Among the clauses that Thai officials have proposed to adopt over and above those demanded by the US are patent coverage for imports in addition to locally manufactured and distributed products; the use of civil law to settle disputes arising from pirating and an increase in the protection period from 15 to 20 years.

Thailand has, however, rebuffed American demands to include bio-technical inventions and diagnostic methods in the amendment.

The United States, meanwhile, opposed the proposal to permit disclosure of the drug pricing formula. Thai officials wanted the formula to be disclosed in emergency cases, but the US wanted to know the specifics of the circumstances.

Committee Fixes Senate at 270 Members

BK0705023391 Bangkok THE NATION in English 7 May 91 p A2

[By Tawisak Siphan]

[Text] The constitution-drafting committee yesterday decided to fix the number of senators at 270, accounting for three-fourths of their counterparts to be elected to the House of Representatives.

The committee also agreed that the constituencies for the promised general election would be larger in term of representation than the ones used under the 1978 Constitution with between four to seven to be elected in each of them, said committee spokesman Dr Adun Wichiancharoen after a meeting of the panel at Parliament.

The committee also decided to maintain the electoral method adopted under the 1978 Constitution which allows voters to vote for individual candidates, he said.

Adun said a compulsory voting on party basis would infringe upon voters' constitutional rights. He also said the enlargement of the constituencies is aimed at deterring vote-buying.

Adun said that small provinces where fewer than four MPs [Member of Parliament] were elected in the last polls would make exceptions to the rule. In these cases, each of the small provinces will make one constituency.

Likhit Thirawekhin, deputy spokesman of the committee, added that Bangkok may be split into six constituencies, each comprising six or seven seats for MPs.

Adun said that a nine-man council to be set up to select senators will nominate 1,350 persons to the Senate. The nominees would represent people from different walks of life and from different parts of the country.

These 1,350 people, he said, will then nominate from among themselves 270 persons to serve as senators. The list will be submitted to the chairman of the nine-man council, who will seek an endorsement from His Majesty the King, Adun said.

The House, the Senate, the government and the Judicial Service Commission will each select two members to the nine-man council. The eight will then pick a non-partisan figure to chair the council.

Delegation Unhappy With Labor Law Explanation

BK0805033791 Bangkok BANGKOK POST in English 8 May 91 p 3

[Text] An International Confederation of Free Trade Unions [ICFTU] delegation says it is not satisfied with Thai Government explanations on the controversial State Enterprise Employees' relations Act.

Pressure will be applied by international trade unions on the Thai Government if no improvements are made soon, said Takashi Izumi, general secretary of the ICFTU's Asian and Pacific Regional Organisation, who led the delegation.

He was speaking after emerging from their meeting with Deputy Prime Minister Michai Ruchupan for more than two hours yesterday.

Mr Izumi said the Deputy Prime Minister had told the ICFTU representatives of the Government's position regarding the passage of the controversial Act in an attempt to get more understanding from the international labour movement.

He said while the delegation understood some points raised by the minister, they want to see more efforts made by the Government to improve the labour situation.

The new Act, for instance, prohibits state enterprise workers' associations from joining national trade union federations, such as the Labour Congress of Thailand and Thai Trade Unions Congress.

Mr Izumi said Thailand is the only country in Asia and Pacific which has such a prohibition curtailing state enterprise workers' rights.

The delegation also urged the Government to ratify quickly ILO conventions 87 and 88.

Asked if he is satisfied with the Government's explanations, Mr Izumi said: "No, we are not persuaded on many points."

He said the delegation clearly explained to Mr Michai that the organisation has no room to compromise if human and trade union rights are violated.

"If the Government violates (the rights), we will continuously apply pressure on Thailand to protect the interests of Thai workers," he said, adding the ICFTU had made it clear that it considers the new legislation "a sort of violation in the area of human and trade union rights."

A statement released by the delegation following the meeting said it had told the Government that the ICFTU will withhold a complaint it planned to lodge with the International Labour Organisation to allow the Government to reconsider its actions.

Mr Izumi, however, said if the Government fails to improve the situation, the ICFTU might take up the case with ILO [International Labor Organization] very soon.

In that case, the Governemnt might have some obligation to report its position to the ILO and the matter would be discussed at the international level.

He said the issue will be high on the agenda of the ICFTU meeting of its executive board scheduled in June, where moves to be taken in case of failure to act by the Thai Government would be mapped out.

Meanwhile, Mr Michai said he tried to explain to the delgation that the new legislation is not aimed at obstructing the progress of the labour movement and that state enterprise employees are different from workers in the private sector.

He said the delegation appeared to have a better understanding of the issue.

As for the call for Thailand to ratify the ILO conventions, Mr Michai said this is a separate issue from the state workers' law.

He said whether or not Thailand ratifies the conventions is its internal affair and the national interest will be taken into consideration.

Cabinet Passes Bill To Lift Ban on Activities

BK0805024591 Bangkok BANGKOK POST in English 8 May 91 p 1

[Text] The Cabinet yesterday approved a bill to lift the military council's orders on political gatherings and activities and drop legal action against those charged with violating the assembly ban.

The Bill, which will repeal the National Peace Keeping Council's [NPKC] announcements No. 7, 19, and 20, will be considered by the National Legislative Assembly in its special session tomorrow, Prime Minister Anan Panyarachun told a news conference after the Cabinet meeting.

Mr Anan said that under the same legislation, the Government will propose that authorities discontinue any prosecution for criminal offences related to violation of announcement No. 7, which outlaws political assembly of five people or more.

Announcement No. 19 postpones indefinitely any elections of provincial administration councils and municipal council members while announcement No. 20 prohibits political parties from engaging in any political activities.

The Prime Minister, however, declined to say whom of 58 people facing charges or on trial for defying the announcements will benefit from the legislation.

Forty academics and activists on Monday issued an open letter calling on the Government to pardon 15 Ramkhamhaeng University students who have been prosecuted for violating the gatherings ban, 42 farmers from Yasothon now on trial on charges of staging unrest, and labour analyst Bandit Thamtrirat, who is about to be prosecuted on sedition charges.

Deputy Prime Minister Michai Ruchuphan said authorities had yet to determine which cases related to offences against the assembly ban during martial law and would drop these as result of the proposed pardon.

Mr Anan said martial law remains in force in 86 districts in 21 provinces after being lifted last Thursday.

However, martial law had already been imposed in 213 districts in 43 provinces before it was declared nationwide by the NPKC following the February 23 coup.

Bank Invests in Development of Vietnam Fishery

BK0705024191 Bangkok BANGKOK POST in English 7 May 91 p 28

[Text] Thailand is to jointly invest 647 million baht in integrated fishery industries in Vietnam, according to Thai Farmers Bank.

Vietnam has good potential to become a major fishing power because of its long coast line and has attracted many international companies seeking concessions.

Fisheries have traditionally played a small role in Vietnam's economy with exports earning only US$11 million or 3.3 percent of total exports in 1980. But in the period of 1981-1988 exports rose an average 154.5 percent each year to an export value of $164 million in 1988 or 16.3 percent of total exports.

The state-owned Seaprodex Co expects exports to reach around US$350 million per annum during the 1990s with the main export markets Japan, Hong Kong, Singapore and Taiwan. This would make fisheries the country's third largest revenue earner.

Vietnam stil lacks deep-sea fishing technology and equipment so it is now limited to operating in depths of up to 20 metres.

Vietnam has an excellent coastline suited to fish farms, but this area has also yet to be developed.

Because of these limitations, Hanoi has encouraged foreign companies from Hong Kong, Taiwan, Australia, Japan and Thailand to launch ventures.

These companies have been operating in Vietnam without much success to date, partly because of inefficincies in the state bueraucracy where the unsystematic issuing of concessions has led to duplications in some cases.

Vietnam, in an attempt to encourage the growth of its fisheries industry, decided in 1989 to temporarily withdraw all concessions granted to Thai companies and demanded that Thai investments be more integrated—meaning that there be more investments in cold storage, ice making, food processing and other related areas.

Hanoi also asked the Thai government to control the activities of Thai firms wishing to operate in Vietnam.

Vietnam has potential for development in related industries, especially in the three cities of Minh Hai, Thuanhai and Vung Thao.

Future fisheries projects are to be in the form of joint ventures with Vietnam holding 39 percent of a large-scale integrated undertaking expected to cost around 647 million baht. A total of 150 fishery boats are needed with 80 of them coming from Thailand.

The project is expected to generate 720 million baht annually from coastal fishing, 7.1 million baht from shrimp farming, 298 million baht from seafood processing and 25.5 million baht from other related activities.

Asa Says Factions Seen Not Observing Truce

BK0805012191 Bangkok BANGKOK POST in English 8 May 91 p 2

[Text] Foreign Minister Asa Sarasin said yesterday the four Cambodian factions have not really observed the ceasefire which began on May 1.

He said S.M.A.S. Kibria, executive secretary of the Economic and Social Commission for Asia and the Pacific (ESCAP), told him the United Nations will send a delegation led by France and Indonesia to verify the ceasefire in Phnom Penh and other areas in Cambodia this weekend.

The mission of the committee is to show that the UN wants to see serious implementation of the ceasefire by all sides.

Mr Asa said Thailand, which has closely monitored the situation in Cambodia, can only appeal to all sides to observe the ceasefire.

Meanwhile, Khieu Rithrasmey, a senior official of the Sihanoukist faction, said Mr Kibria had told him that the UN delegation would like to visit zones controlled by his faction.

"We are ready for this fact-finding mission since we have already accepted this voluntary ceasefire. We want them to see that we observe the ceasefire. On May 12 we will meet the delegation at the Thai border to take them to meet our fighters and inspect our liberated areas."

He said the UN secretary-general would like to see the four Cambodian factions seriously observe the ceasefire.

"But if Hun Sen takes this opportunity to attack us or try to recapture our territory we would not be able to remain idle. In this case, fighting would resume," Mr Khieu said.

In a related development, Mr Asa said he will visit China from May 13 to 15.

He said he will inform China that Thailand will support the Jakarta meeting at the end of this month and wants to see it a success.

Mr Asa said Thailand strongly adheres to the framework of the UN Permanent Five's agreement and the Paris International Conference on Cambodia.

Vietnam

Nguyen Van Linh Departs for Moscow 7 May

BK0805052291 Hanoi Domestic Service in Vietnamese 0500 GMT 8 May 91

[Text] At the invitation of the CPSU Central Committee, yesterday 7 May 1991, Comrade Nguyen Van Linh, general secretary of the Communist Party of Vietnam, left Hanoi for a working visit to the Soviet Union.

Seeing Comrade Nguyen Van Linh off were Comrades Vo Chi Cong and Pham Van Dong; members of the Political Bureau Nguyen Thanh Binh, Le Duc Anh, Nguyen Duc Tam, Nguyen Co Thach, Dong Sy Nguyen, Doan Khue, Mai Chi Tho, and Dao Duy Tung; members of the party Central Committee Secretariat Le Phuoc Tho, Nguyen Quyet, Vu Oanh, and Pham The Duyet; Comrade Hoang Bich Son, member of the party Central Committee and head of its foreign relations department; and Comrade Dinh Nho Liem, member of the party Central Committee and first vice foreign minister. Comrade Voronin, Soviet charge d'affaires in Vietnam, was also present at the send-off ceremony.

Commentary on Cambodian Cease-Fire Violations

BK0705144391 Hanoi International Service in English 1000 GMT 7 May 91

[Station commentary]

[Text] The temporary cease-fire in Cambodia proposed by the cochairmen of the Paris International Conference on Cambodia and the United Nations secretary general has been seriously violated by the Khmer Rouge. Here is our radio's opinion on this issue:

The cease-fire proposed by the cochairman of the Paris International Conference and the UN secretary general came into force on 1 May. All Cambodian sides have agreed to strictly observe the cease-fire. But the fact is that within the first day of the implementation of the cease-fire, opposition Cambodian factions, especially the Khmer Rouge, have seriously violated it. According to the Cambodian news agency SPK, the Khmer Rouge have fired more than 1,000 artillery shells in the Svay Chek area, injuring many Cambodian farmers, destroying many houses. They also launched attacks on many other places. Worse still, the tripartite coalition troops coordinated their attacks against the Cambodian People's Armed Forces. This has shown that opposition Cambodian factions have run and are still running counter to their commitment to respect the cease-fire. As pointed out by the Voice of the People of Cambodia, the Cambodian opposition factions have no intention of ending hostilities in Cambodia. It appears they are misusing the cease-fire to launch a large-scale attack against the Cambodian people.

For its part, the Phnom Penh government has scrupulously lived up to its commitment to strictly observe the temporary cease-fire. Moreover, it wishes that the cease-fire would be prolonged until a peace treaty in Cambodia is signed. The Phnom Penh government is trying to make the cease-fire be strictly implemented because the cease-fire is not supervised and controlled by any organization. Chairman of the Cambodian Council of Ministers Hun Sen has called on international observers to come to Cambodia to supervise the cease- fire. In a letter sent to the UN secretary general and the two cochairmen of the Paris International Conference on Cambodia, Chairman Hun Sen requested them to organize the cease-fire and the international supervision to effectively implement it and [words indistinct] among the Cambodian sides. It is the common desire that the three opposition factions immediately halt their hostilities so that the cease-fire is scrupulously implemented in Cambodia. The Phnom Penh government's efforts in carrying out the cease-fire are aimed at creating favorable conditions and mutal trust among the Cambodian sides to solve together the internal affairs of the country. Only by so doing can the meeting of the Supreme National Council of Cambodia be convened in Jakarta next month and the settlement of the Cambodian issue be resolved.

Spokesman Denies SRV Soldiers in Cambodia

BK0705150091 Hong Kong AFP in English 1253 GMT 7 May 91

[Text] Hanoi, May 7 (AFP)—Hanoi again denied Tuesday that any of its soldiers were still in Cambodia, but refused to link the military withdrawal to the issue of Vietnamese civilian settlers there.

"Vietnam withdrew all its troops from Cambodia in September 1989," a Foreign Ministry spokesman said, adding that Hanoi "had accepted international supervision" of the move.

Son Sann, the leader of one of two non-communist factions in the Khmer Rouge-dominated Cambodian resistance coalition, last week called on Hanoi to withdraw its troops as well as those civilians who had settled there.

But the spokesman said the question of "civilian expatriates, like the expatriates of other countries who live and work in Cambodia, is a different issue.

"There is no reason to link the problem of civilian expatriates to that of Vietnamese troops," he added.

Vietnam has several times said it withdrew all 200,000 of its troops from Cambodia in september 1989, nearly 11 years after they invaded the country to oust a Khmer Rouge regime and install a client government in Phnom Penh.

For its part the resistance has always claimed that some troops remained although it has so far failed to provide definitive proof of their presence.

Witnesses in Cambodia have repeatedly reported the presence of Vietnamese troops since the withdrawal while official U.S. sources have said there are still some 10,000 troops there.

The number of Vietnamese settlers in Cambodia varies from one million according to the resistance to tens of thousands according to Hanoi and Phnom Penh, while international organisations working in the country have estimated that there could be as many as several hundred thousand.

Turning to other issues the spokesman refused to comment on Japanese proposals aimed at breaking the deadlock in a United Nations peace plan for Cambodia, saying it was "better to let the Cambodian people comment on the issue."

But the spokesman did say Hanoi was pleased Japan wanted to pursue its attempts to find a political solution and promote the involvement of the international comunity in the reconstruction of Cambodia.

Japanese Prime Minister Toshiki Kaifu recently proposed an international conference in Tokyo on the reconstruction of Cambodia once a solution had been found.

Japan has also proposed that any faction to break a ceasefire that came into effect May 1 should be banned from general elections called for under the U.N. peace plan.

Both Phnom Penh and the resistance have accused each other of ceasefire violations, the first just hours after the truce came into effect.

Tokyo has also proposed that factions' armed forces should only be dismantled after the U.N. has confirmed that all troops had returned to barracks and that all arms caches had been destroyed.

A committee would also be set up under the Japanese plan to look at "concrete measures" to prevent a return to the "policies and practices of the past."

That proposal is aimed at the Khmer Rouge, which is blamed for the deaths of hundreds of thousands of Cambodians during its near- four year radical Marxist rule which ended with the Vietnamese invasion.

The U.N. plan calls for all factions to be disarmed and disbanded during an interim period in which to world body would administer the country until elections were held.

Phnom Penh has refused to agree to the dismantling of its army arguing it is the only force capable of preventing the Chinese- backed khmer Rouge from returning to power in the absence of international guarantees.

U.S. Senator's Statement on Cambodia Reported

BK0705124091 Hanoi International Service in English 1000 GMT 7 May 91

[Text] American Senator John Kerry, member of the U.S. Senate Foreign Relations Committee, has criticized the Bush administration's current policy toward Cambodia and called on the U.S. Government to open a liaison office in Phnom Penh. Senator John Kerry was speaking in Bangkok on his way home from a visit to Cambodia.

Senator John Kerry further said that the U.S. policy toward Cambodia is full of contradictions in the international arena. The United States has made a big mistake by refusing to negotiate with the Cambodian Government. He added: The fact that there is no liaison office in Cambodia is another big mistake.

Article Views Lenin's Stance on Army Neutrality

BK0805093591 Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Apr 91 pp 29-32

[Article by Nguyen Khanh Bat, of Nguyen Ai Quoc Institute: "On the Occasion of Lenin's 121st Birthday Anniversary (22 April 1870-22 April 1991) - Lenin: 'The Army Can Never Be Neutral'"]

[Text] Taking advantage of the state of many socialist countries being in the midst of a grave crisis, imperialism and various international reactionary forces have launched a counteroffensive to abolish socialism. Against this background, antisocialist forces in the Soviet Union and some socialist countries in East Europe have reared their heads in an attempt to demand the revision of many fundamental theses of scientific communism. Demanding "neutralization of the army" is an important objective following their attack on the communist parties in some of these countries. Therefore, the struggle against the above-cited viewpoint is becoming increasingly imperative, fiery, and fierce, not only because of the serious theoretical error of that viewpoint but precisely because of the fact that the viewpoint itself has greatly contributed to changing the sociopolitical regimes in some countries which were once socialist. Worthy of note is that the damage done by the "neutralizing the army" viewpoint has been limited to that, but is threatening to spread to other socialist countries. The consequences that this rightist viewpoint may cause to the revolution and the revolutionary army are unfathomable if we do not resolutely struggle against it. On the occasion of the 121st birthday anniverary of Lenin (22 April 1870-22 April 1991), a study of Lenin's viewpoint that "the army can never be neutral" may have not only a fundamental methodological significance but also great practical political significance.

First of all, it should be affirmed that, generally speaking, the classicists of scientific communism have never doubted the class character of the army. In the struggle against the "neutralizing the army"-viewpoint of the bourgeois theoreticians as well as opportunist and rightist elements, Lenin categorically stated that "at present, as well as in the past and in the future, the army can never be neutral." (Footnote 1: Lenin, COMPLETE WORKS, Progress Publishing House, Moscow, 1979, Vol 12, p 69)

The great legacy bequeathed to us by Lenin consists of the fact that when stating his viewpoint, Lenin, on the one hand, explained very clearly why the army cannot be neutral, and, on the other hand, he also laid bare the dark and ugly political intent of the so- called "depoliticization of the army."

According to Lenin, the fact that the army can never be neutral is not a result of the communists' subjective desire but stems from the basic objective necessity.

First, in any society where different classes exist, whether it be it built on slavery, serfdom, or capitalism, the oppressive class always has its own armed forces, its own army. Lenin stressed that the greatest, most basic, and most important event in the modern world is the bourgeoisie arming themselves to oppose the proletariat. In view of such a situation, the oppressed laborers in general, and the prolateriat in particular, "if they do not strive to learn how to use weapons and to get weapons, they only deserve to be treated as slaves." Lenin added: "In pursuing our ideal, we do not want to use violence against people." Only because the bourgeoisie use their army as their most important tool to serve their political designs must the oppressed laborers be armed to oppose those who want to dominate and destroy them by force. It is for this reason that in the revolutionary struggle, Lenin time and again advised that the proletariat be armed and have their own armed forces, not only to liquidate the power of the bourgeoisie and landlords but also "to learn" how to protect the revolutionary gains and to oppose internal enemies and foreign aggressors. Just like the army of the ruling class, the army of the oppressed and the proletariat, though coming into being after the ruling class's army, its class character and political purposes were clearly defined from its very beginning; that is, the army cannot stay outside politics. Lenin concluded: The army is always "divided into a red army and a black army."

Now, as in the past, imperialism and the international reactionary forces still rely on military strength to facilitate their international relations and fundamental policies. They will not give up their scheme of destroying socialism by force if the armies of the socialist countries are not endowed with comprehensive strength, in which the spiritual strength of being "loyal to the party and people" retains a special position. In face of the extremely turbulent and complicated situation in the world at present, any attempt to outshine the class nature of the armies of the socialist countries will directly weaken their national defense capacity.

Second, continuing to develop his above-mentioned viewpoints, right from the very first days of the Soviet administration, Lenin realized the urgent need to learn how to safeguard and develop his revolutionary gains. In Lenin's concept, the struggle to defend the country and the revolutionary administration is extremely difficult, not only because the enemy is seeking to destroy the revolution by all means, but also because "the revolution does not immediately how to attain the means of self-defense." If we cannot defend the revolution effectively then what is the use of our people sacrificing their lives for the seizure of power? The most effective tool of defense is the army. It must be pointed out that the change of the political and social system in some socialist countries in the late 1980s has shown that up to now the revolution still has not been able to attain the most effective means of self- defense. Thus, the conception expounded by Lenin more than 70 years ago remains a pressing issue of the day.

When the administration had not yet been set up, Lenin reminded revolutionaries and communists not to play with armed uprising. However, when power had already been seized, he urged them to see to it that the issue of national defense always retains the pivotal position in their activities. Lenin continued: Because we subscribe to the defense of the country, the first issue to be raised is that we must adopt a scrupulous attitude toward our national defense capacity. Lenin demanded that the army be manifested in two aspects: on the one hand, sufficient importance must be attached to equipping the army with essential weapons and military technologies to make it capable of frustrating all acts of sabotage and aggression by the enemy; and on the other hand, constant attention must be paid to political and ideological work in the army. It is wrong to maintain that to a revolutionary army, political and ideological indoctrination is a simple task that can be finished "immediately in a moment." On the contrary, this task must, in fact, be carried out "tenaciously and slowly" even if its results cannot be seen immediately. We cannot use the "army independently" from the communist party—the only party capable of leading the country in building socialism, safeguarding the revolutionary gains, defending the socialist fatherland, and protecting the peaceful and happy life and work of the people. This leads us to the most important, objective conclusion: The armies of the socialist countries must be placed under the direct, overall leadership of the communist parties. Lenin wrote: "In the past as well as at present, the party has never expounded a sentimental viewpoint concerning war, nor has it ever humbled itself to perform the plays on military schemes. However, as long as imperialism still exists with its many schemes and tricks aimed at destroying socialism, the military issue, if not a first and foremost issue, must be one of the first and foremost issues in the communist party's platform." (Footnote no. 2: Lenin, complete works, Progressive Publishing House, Moscow, 1979, volume 10, pages 378- 379)

Lenin not only pointed out the class nature of the army and the inevitability of the demand for the communist party's leadership over the army, but also expounded the relations between the proletarian dictatorship state and the revolutionary army. He said: in the present stage, a revolutionary administration is as necessary as a revolutionary army. Lenin used to call the revolutionary army "the pillar of the revolutionary administration." However, the revolutionary army itself also "needs a revolutionary administration to lead the masses" in political and military aspects.

Even in 1905, in the article "The Revolutionary Army and Administration", Lenin wrote: "There should be a revolutionary army because major issues can be settled only by force" and in the modern struggle, the organization of forces means the military organization. Based on this point of discussion by Lenin, revisonists and opportunists now seem to blame and even criticize Lenin and classicists of scientific communism for being those who "adopt violence" and "adore violence". Their criticism itself has elicited contradictions that can not help but being in turn criticized. The main point here is that revolutionary force has always followed counterrevolutionary force just like the struggle of oppressed and exploited people which occur only when they have been oppressed and exploited. While imperialist and other international reactionary forces have used their armies to defend their "life-and- death interests" in Grenada, Panama, and the Gulf region, why should the armies of socialist countries be "neutral and stay out of politics"? Realities of the class struggle in a country as well as in the international arena at present have indicated that there are "great issues" to be settled and that controversial points of Lenin and classicists of scientific socialism concerning the army's class nature still hold their value intact both theoretically and practically, which help all people, cadres, and combatants realize the truth that "at present as well as formerly and in the future, the army has never been and will never be neutral". Why have reactionaries and opportunists then demanded such nonsense? Lenin himself already exposed their odious political schemes.

Lenin asserted: Those who demand that "the army should not be driven into politics" and should be neutral, are not wise people who know how to keep abreast of changes in the domestic and international situations. They are merely "hypocritical servants of bourgeosie". Their ambition is nothing else than "driving the army into reactionary politics". Troops are divided into "Red Troops" and "Black Troops". These two types of troops must be placed under the leadership of either political, revolutionary, or counterrevolutionary organizations. Otherwise, there is no other choice. Freedom of troops in the mode of "staying out of politics" (proletarian, revolutionary) will certainly help reactionary forces "to rule the roost" and is "finally an insult to freedom". Such a situation will sooner or later transform a revolutionary army originally born of, attached to, and blended with the people, as Lenin wrote, into an "executioner of the people's freedom". Many events in the armies of some former socialist countries and the temporary victories of rightist forces there, have confirmed the rectitude and timeliness of Lenin's viewpoints: "The army can never be neutral".

On the one hand, Lenin condemned those who adopted reactionary and rightist attitudes toward the army. On the other hand, he severely criticized all media that helped report and propagate these people's viewpoints. Those mass information media that join in "claiming for the army's neutral attitude" have sold themselves to devils. Lenin said the "NEW TIME" was typically one paper among such media.

Lenin clearly pointed out that the class nature of the army has a firm and lasting basis. Any who seek and support the neutralization of the army must be resolutely rejected. At present, in some socialist countries, including Vietnam, reactionaries and rightist opportunists are continually demanding "to depoliticize the army". Faced with such a situation, it is essential to study Lenin's viewpoint that "at present as well as formerly and in the future, the army has never been and will never be neutral."

Speaking on the significance of Marx's legacy, Lenin repeatedly urged: "One can only draw a unique conclusion that following the line set by Marxist theory, we will approach closer and closer every day the objective truth. Any other path will lead only to confusion and deception". (Footnote 3: Lenin, Complete Works, Progress Publishing House, Moscow, 1980, Volume 18, page 168). At present, dealing with many fundamental issues of the era, including the army issue, we can talk about Lenin's legacy as Lenin himself talked about the great Karl Marx.

Australia

Turkish President Arrives for Four-Day Visit

BK0805055691 Hong Kong AFP in English 0433 GMT 8 May 91

[Text] Canberra, May 8 (AFP)—President Turgut Ozal arrived here Wednesday at the start of a four-day controversial visit to Australia, the first ever by a Turkish head of state.

Mr. Ozal was met by Queensland Governor Walter Campbell, standing in for Governor-General Bill Hayden who is overseas, an army honour guard and a 21-gun salute.

Mr. Ozal is due to be given an honorary Order of Australia later today, a move that has angered members of Australia's Cypriot, Kurdish and Armenian communities who condemn Turkey for its occupation of Cyprus and human rights record.

Fiji

Government Orders Inquiry Into Mine Dispute

BK0305140991 Hong Kong AFP in English 1021 GMT 3 May 91

[Text] Suva, May 3 (AFP)—Fiji's Government Friday ordered an inquiry into industrial unrest at Australian-owned gold mines here despite union opposition.

Fatiaki Misau, secretary for employment and industrial relations, said lawyer Peter Howard will conduct the inquiry, which comes after the government admitted a dispute exists in the nine-week-old strike by about 700 miners at Vatukoula.

The inquiry will study industrial unrest at the Emperor gold mines on Fiji's west coast about 300 kilometres (225 miles) from the capital and report to government.

Kavekini Navuso, secretary of the Fiji Mineworkers Union, said the government, which has refused to intervene in the crisis so far, was trying to "bail Emperor out of a position of desperation and against the interests of striking mineworkers."

It was a government ploy to distract attention from the issues that forced workers to go on strike from February 27, he said.

"The union regards the inquiry as a public relations exercise designed to distract attention from the problems of poor employment conditions, sub-standard housing, poor health and safety standards and the question of union recognition," Mr. Navuso said.

He claimed the government has yet to implement recommendations of a 1977 inquiry, which followed the last major strike by miners there.

Fire Shuts Down Sections of Disputed Gold Mine

BK0805072291 Hong Kong AFP in English 0711 GMT 8 May 91

[Text] Vatukoula, Fiji, May 8 (AFP)—Two men were arrested after a major fire wrecked a shaft and crippled other operations of the strike-bound Australian-owned gold mines on Fiji's west coast Wednesday.

The Australian Emperor Gold Mining Company, owners of the Vatukoula gold mines, blamed the fire on the 700 strikers who had earlier threatened to use violence if the company refused to meet their demands. It said the attackers seemed "bent on closing the mine."

A police spokesman said that two men had been arrested in connection with the blaze, but refused to give any more details.

Andrew Cullum, Emperor's resident manager, said the Borthwick shaft, which was closed because of the 10-week strike, "was totally crippled when fire razed the mine winder and nearby electrical installations. Also totally destroyed were the mine's store, first-aid facility, staff change rooms and showers. The mine manager's office, surveyor's office and shift offices were all seriously damaged," he said, estimating the losses at 800,000 Fijian dollars (560,000 U.S.).

Mr. Cullum said no injuries were known from the fires which raged through the mines early Wednesday.

The fire occurred amid growing tension in Vatukoula, about 300 kilometres (180 miles) from Suva. It follows a protest march through Vatukoula on Tuesday by about 300 miners, demanding the company recognise the Fiji Mineworkers Union and improve housing and working conditions.

Two weeks ago a brawl between miners and security guards hired by Emperor outside a court house in Tavua, near Vatukoula, left about a dozen miners injured. Twenty-four miners were charged last month for obstructing work at the shafts.

Mr. Cullum said "willful destruction of property coincided with increasing intimidation of a group of people at work. This seems to indicate that the original union campaign has been taken over by more militant union members and outside unemployed who are bent on closing the mine."

While not hinting that Emperor would shut the mine, Mr. Cullum said the incident raised questions for the gold industry's future here.

"We are appalled at what has happened. This raises serious questions for Fiji, for the safety and security of all those employees still at work and for the future of the gold industry," he said.

The union has refused to participate in a government-commissioned public inquiry into industrial unrest in Vatukoula until Emperor recognises the union.

Emperor argues that the union has failed to get 50 per cent membership of the mine workforce of around 1,200, despite a counter claim by the union that 727 [are] paid up members.

Fiji's gold industry, which started when Emperor began mining in Vatukoula in 1934, employs nearly 1,500 workers. It earned 48.6 million U.S. dollars in foreign exchange last year.

New Zealand

Turkish President Urges More Aid From Europe

BK0605082691 Hong Kong AFP in English 0818 GMT 6 May 91

[Text] Wellington, May 6 (AFP)—Turkey was unhappy with Europe's response to the Kurdish refugee crisis, Turkish President Turgut Ozal said here Monday and he called on it for more aid.

On a state visit to New Zealand Mr. Ozal contrasted the large United States aid with that from Europe.

"The Turkish Government and also the Turkish people supplied these refugees something like 20,000 tonnes of food and other things," he said at a joint news conference with New Zealand Prime Minister Jim Bolger.

The United States had provided 6,000 tonnes of aid while the "total amount ... that has arrived from other countries is something like 2,500 tonnes."

He praised Washington for taking 500,000 refugees back into northern Iraq.

He said Turkey had previously had to deal with Kurdish refugees and "we have not had a very good experience."

When, three years ago, Iraq used chemical weapons on Kurdish villages, tens of thousands fled into southern Turkey.

"We still have 27,000 of them and Western Europe took only 437. "I think all of the load is on our shoulders," he said.

On Sunday when Mr. Ozal arrived here he was greeted by members of Wellington's Greek community protesting Turkey's 1974 invasion of northern Cyprus and comparing it with Iraq's invasion of Kuwait.

But Mr. Ozal told a state luncheon Turkey had invaded Cyprus because Greece's military government at the time had wanted to seize the island.

"If it were not for the Turkish invasion, the island would have been annexed by Greece then," he said.

Little of substance has come out of the official talks here although Mr. Ozal told a news conference Turkey and New Zealand had similar views on many "international issues and regional problems.

"I am confident that increased contacts and visits will contribute immensely to furthering our relations in all fields," he said.

Mr. Bolger said the visit had not yielded any government-led trade initiatives. Rather it was up to New Zealanders and Turkish business people to forge links.

Western Samoa

Prime Minister Reelected at Parliament Session

BK0805043891 Hong Kong AFP in English 0407 GMT 8 May 91

[Text] Apia, May 7 (AFP)—Prime Minister Tofilau Eti Alesana won another three year term Tuesday when Western Samoa's Parliament sat for the first time since April's general election.

In a vote in the assembly Tofilau defeated opposition leader Va'ai Kolone by 30 votes to 15. One member and the speaker abstained from voting.

The general elections April 5 were the first to be conducted under universal suffrage.

Tofilau, 67, has served three previous terms as prime minister but only one, 1988-91, was for a full three year period. He was first elected to the assembly in 1957, five years before independence from New Zealand.

Tofilau held various cabinet posts over the years and in the early 1980s he and Va'ai founded the Human Rights Protection Party (HRPP). He first became prime minister in 1983.

The HRPP during the election campaign announced it would introduce compulsory and free primary education. It has also said it will begin major infrastructural projects, mostly funded by foreign aid.

Tofilau is expected to announce a cabinet shortly, a task that will test the solidarity of the HRPP. In 1985 as Prime Minister Tofilau provoked an internal party coup which saw him lose power when former ministers not reappointed withdrew their support.

Last week Tofilau said he wanted to amend the Constitution so the cabinet could be expended from eight ministers to as many as 15.

Constitutional changes require a two-thirds majority which Tofilau does not appear currently to have.

Seven HRPP candidates face court challenges over their seats.

Attorney General Resigns for 'Private Reasons'

BK0305080991 Hong Kong AFP in English 0639 GMT 3 May 91

[Text] Apia, May 2 (AFP)—Western Samoa's attorney-general, who as acting chief justice jailed one of the country's newspaper editors, resigned Thursday.

Cabinet Spokesman and Finance Minister Tuilaepa Sailele said Attorney-General Tiavaasue Falefatu Sapolu was quitting for private reasons and would return to private practice from May 13.

Tiavaasue cited the editor of the SAMOA TIMES, Leota Uelese Petaia, for contempt and jailed him for eight days in January last year, while acting chief justice.

He later convicted and fined Leota 1,500 tala (1,194 dollars).

The SAMOA TIMES had reported that while Tiavaasue was on the bench he was also attorney-general, whose office was prosecuting the case, his sister was defending the man facing the charges and he was principal in her private law firm.

Leota's conviction and sentence were overturned by the court of appeal, which said the position Tiavaasue had placed himself in had cried out for public comment.